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U.S. Acts To Block EC Goods

Reagan to Apply Restrictions if Exports Decline

Compiled by Our Staff From Dispatches
WASHINGTON — President Reagan could impose trade restrictions Thursday on a variety of European exports to the United States in retaliation for quotas imposed on American sales in Portugal and Spain.

The restrictions could take the form of quotas or higher tariffs. The White House said, however, that the measures would be put into effect only when American producers were hurt by European Community quotas.

The quotas were imposed by Spain and Portugal as conditions of entry into the European Community on Jan. 1.

U.S. officials said Mr. Reagan is prepared to forgo punitive action if the EC agreed to resolve the dispute in negotiations held under a General Agreement on Tariffs and Trade.

The U.S. measures would affect wine valued at more than \$4 billion, chocolate, cheese, apples, orange juice and beer. Eliza Knaul, a spokeswoman for the EC, said the community had imposed the measures although had not known exactly what products would be targeted.

"This is a dispute the United States has sought to avoid," said a White House spokesman, Larry Speakes.

"But we cannot overlook the unilateral actions, which violate GATT rules and some of our most sensitive economic interests."

"We have been assured by the EC that their quotas will have no negative impact on our trade. As long as that remains the case, we will be similarly nonretaliatory," Mr. Speakes said.

"However, he said, 'Should the EC quantitative restrictions be restricted 41% exports, the U.S. will be adjusted to have a comparable effect, or the president's substitute tariff increases for quotas.'"

Mr. Speakes said U.S. exporters had been affected by new limits on corn and sorghum. He said the Portuguese quota on grains and oilseeds was "so high that they will likely affect U.S. exports. (AP, UPI)

Brazil Sanctions Rejected

The White House Economic Policy Staff has ordered a review of regulatory options against Brazil on May 15, an administration official told The Washington Post. He cited Brazil's refusal to open its markets to American electronic goods.

'Hitler' Photo Album Surfaces in Illinois

New York Times Service

CHICAGO — Experts in the United States are scrutinizing a photo album that has surfaced in Union, Illinois, to determine if it once belonged to Hitler, as a former American soldier claims.

Wilbert W. Mammen, now 66, (above) says he took the album as a war trophy from Hitler's headquarters in Munich during the Allied sweep through Germany at the end of World War II.

Tests by United Press International, which obtained the album from Mr. Mammen, and the opinions of two university scholars tend to support his authenticity.

Among the photos in the album, is one (above right) showing a young soldier with a lady machine gun (far right in photo) believed to be Hitler with his World War I regiment. Another photo (far right) appears to show Hitler (far left) in photo, under cover) recuperating from a wound during that war.



U.S. Doctor Aiding Soviet Predicts More Fatalities

He Requests Inspection of Disaster Site

By Celestine Bohlen
Washington Post Service

MOSCOW — An American doctor here to help treat victims of the Chernobyl nuclear accident said Thursday that the death toll, now nine, is certain to rise.

Dr. Robert P. Gale, of the medical center at the University of California at Los Angeles, said at a press conference Thursday that more deaths were "inevitable" and that casualty figures "may change substantially."

An expert on bone marrow transplants, Dr. Gale arrived in Moscow May 2, six days after the explosion at the power plant 80 miles (130 kilometers) north of Kiev. He was joined within days by two American colleagues and a specialist from Israel.

Dr. Gale, who met Thursday with Mikhail S. Gorbachev, the Soviet leader, said he had requested that he and the other foreign specialists be allowed to travel to the reactor site at Chernobyl, but that he had not received a reply.

"We were predictably not successful in all cases," Dr. Gale said, "but 28 are still alive and although we know that additional deaths are unavoidable, we hope most will survive."

Dr. Gale appeared at the press conference with Dr. Andrii I. Vorobyov, who is head of the Soviet team handling the Chernobyl patients. All of the 28 now in serious condition are hospitalized in Moscow.

A total of 299 are in hospitals here and in other cities. Both Dr. Gale and Dr. Vorobyov emphasized that the number of patients from Chernobyl will continue to fluctuate, given the range of exposure seen among people who were near the accident.

In general, irreversible cases are those involving exposure to more than 8 "grays" of radiation, a unit equal to 100 rads, Dr. Gale said. But serious consequences are found among people with less exposure, depending on what organs were most exposed, the doctors explained.

The unpredictability of the radiation cases is compounded by radioactive gases that apparently leaked from the reactor.



Dr. Gale answering questions Thursday in Moscow.

Inside Hospital No. 6: A Life-or-Death Struggle

By Philip Taubman

MOSCOW — For the last two weeks, Moscow Hospital No. 6, a nine-story brown-brick building on the outskirts of the city, has been the center of a desperate effort to treat the most seriously afflicted victims of the Chernobyl nuclear disaster.

Soviet and American doctors, using equipment and drugs airlifted from around the world, have raced against the killing effects of radiation.

U.S. welcomes Mikhail Gorbachev's safety proposal. The doctor's exposure in an attempt to save the lives of 33 men and two women who spent the first hours after the April 26 accident within yards of the damaged reactor.

One of the American physicians, Dr. Robert P. Gale, of the medical center at the University of California at Los Angeles, said that as of Wednesday evening seven of the 35 patients died of radiation and 28 remained alive.

The scope of the disaster, the worst in the history of nuclear power, presented the doctors with unique problems, the Americans and the Soviet said. The problems included:

- The number of seriously contaminated patients urgently needing bone marrow transplants was greater than the total number of such transplants conducted in Soviet history and 10 times greater than major transplant centers in the West ever faced at one time.

- The destruction of bone marrow, the ultimate source of the body's blood and immune-defense cells, is one of the most life-threatening consequences of exposure to intense radiation.

- Tissue-tying, essential to determining the level of radiation exposure and finding suitable marrow donors, was impossible in many cases because the radiation had already destroyed blood components, particularly white cells that are essential to accurate typing. They said this forced the use in six cases of a marrow substitute extracted from the liver of aborted fetuses, a procedure known as a fetal liver transplant.

- Some patients, confronted with advanced medical practices for the first time, balked at receiving a transplant. Dr. Gale reported that the sister of one victim refused to provide marrow although she was the only ideal donor.

- Some patients were radioactive from having inhaled or swallowed contaminated particles, requiring special procedures to avoid harm to doctors, nurses and laboratory workers handling the victims. Their tissue samples and body secretions and excretions. Two patients died from liver and lung failure produced by radioactive particles deposited in those organs, according to Dr. Gale.

- A number of victims were suffering from severe radiation burns and related skin problems, as well as stomach and intestinal decay produced by radiation exposure.

South Korean Film Director and Wife Describe Kidnapping by the North

By Bernard Gwertzman
New York Times Service

ALTIMORE — A South Korean film director and his screen wife, both disappeared in North Korea under mysterious circumstances eight years ago, have told here today that they had been kidnapped on the direct order of the son of President Kim Il of North Korea.

In San Ok, the director, and wife, Choi Un Hui, met with reporters in Baltimore and told that they found more than any screenplay.

They said Kim Il Sang's son, Jung Il, who is widely regarded the most important Communist official in North Korea, and the likely successor to his father, was a movie buff with a collection of 20,000 films.

Mr. Jung Il told us later he had led our kidnapping," Mr. Shin. The four-and-a-half hour interview was conducted through an interpreter, with Mr. Shin occasionally using English.

Mr. Shin said the younger Kim, whom he wanted to join his country's film industry had ordered North Korea to kidnap them separately, one at a time, in Hong Kong and before the director was transported them to Pyongyang.

He sought their assistance. Mr. Shin, who was released after the director was held under house arrest. Mr. Shin, who was kidnapped later, was told his wife was dead. He refused to help and refused to cooperate also.

looking for ways to make their escape together.

After that, they were taken to Belgrade in April 1984, with instructions to declare that they had gone to North Korea voluntarily. They complied and repeated this on subsequent occasions. South Korean authorities maintained they had been kidnapped.

The two said they had won Kim Jung Il's confidence after being awarded several movie prizes in East Europe for their productions in North Korea.

Then they were allowed to travel to East Europe together. Two months ago, while on a trip to Budapest to discuss a joint North Korea-Hungarian movie on Genghis Khan, they stopped in Vienna, with permission, to probe the possibility of exporting North Korean films to the West.

While in the Austrian capital they hatched their plan to say in the West. With the help of a Japanese journalist whom Mr. Shin had known in the past they shook off a North Korean agent in a taxi chase through the city and sought asylum in the U.S. Embassy.

They also said Kim Jung Il back for his kidnapping, they said, by tricking him into depositing \$2.5 million in the Bank of America branch in Vienna, which is still in Mr. Shin's name.

Mr. Shin said he regarded the money as "an insurance policy," but he has not yet decided what to do about it. In his only comment on their escape to the United States, North Korea has accused them not of seeking freedom but of trying to escape with funds.

For the last month, they have been debriefed in "safe houses" by Central Intelligence Agency and State Department officials, a State Department official, a State Department official, a State Department official.

"The time of voodoo is over," said the Reverend Delouis Louis in Port-au-Prince. "I am a Baptist minister, we are against voodoo. The secret makes money by making people sick. I told the one in my neighborhood that if she practices again, we will smash her head."

Mr. Shin said he was a writer and school director, has formed a committee of other intellectuals to defend voodoo, because, he said, it is "the basis of our culture, our world view, our identity."

"There has been a fanatic crowd," he said. It is, he added, "like the Inquisition, with people dragged off to slanders or lynched."

Beneath the confrontation lies the older and deeper problem of how to reconcile the two Haitian that usually coexist. One is African, with a rich mythology, a pantheon of spirits and distinct moral and social codes that were brought on slave ships from West Africa. The other is Western, first modeled as a Catholic French colony, then shifting its model and source of aid to the United States.

A key motive in the attacks on the voodoo priests and priestesses as first appeared to be popular revenge against the Tomones Macoute militia, the powerful political network that served as the pillar of Duvalier family rule and had included many leaders and priests of voodoo communities.

In some villages, victims were described as "sorcerers" and "priest makers" who used their power against people.

But Christian groups that have often preached against voodoo as the "work of Satan" have also seized the moment of

political change to strike at the strong, rival faith. They are mainly the revivalists of fundamentalist Protestantism and Catholicism — that have most in common with voodoo, often practice faith healing, cultivate religious fervor and believe they receive the Holy Spirit.

The violence appears to have been most intense on Haiti's southern peninsula, west of Port-au-Prince. Its main town is Jérémie, an old coffee port. Military officials said that in the highlands and coastal villages south of Jérémie, close to 60 persons had been killed.

There was a lot of magic here, good and bad," said one officer who asked not to be identified. "Some of the sorcerers regarded as kings, and killed." They had as much authority as the sheriff or the priest, he said.

Since the colonial days, Westerners have feared and tried to suppress voodoo incantations, dances and animal sacrifices, arguing at times that its world of magic and cult of the dead prevent Haiti's development.

Still, voodoo temples abound in today's Haiti. Some are highly ornate, open places, set in a compound of small sanctuaries, while others blend in among the mud huts of a hamlet.

But since the attacks, voodoo priests said, public ceremonies have been few and many temples have taken down their flags and hidden their crosses and bones.

In several recent gatherings, priests and priestesses, who have no clerical hierarchy, have debated how to react. Leaders said they sought from central Haiti, where the slave centers were largest and voodoo remains strongest, wanted to respect in kind and attack hostile clergy or their churches.

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House Passes Budget Plan, Cuts Arms

By Cliff Hays
The Associated Press

WASHINGTON — The House of Representatives approved a \$994-billion federal spending plan for fiscal 1987 on Thursday, joining the Senate in cutting President Ronald Reagan's military budget and embracing higher taxes.

The House, in a 245-179 vote strongly based on party lines, agreed to the plan drawn up by Democratic leaders.

The Senate two weeks ago voted to cut Mr. Reagan's military budget, though not as deeply as the House, in adopting its version of the budget blueprint for the fiscal year beginning Oct. 1.

The two chambers will attempt to resolve differences in a House-Senate conference committee. That work is not expected to begin in earnest until early next month.

The budget outline does not require the president's signature since it is used by Congress only as a guide for later spending and tax decisions that become law.

Before Thursday's vote, Mr. Reagan strongly criticized the House package, calling it "a breach of faith with our common duty to protect this nation."

In a letter sent to the House Republican leader, Robert H. Michel of Illinois, the president complained:

"This radical and defense budget would tear down much of what we have built, together, these past five years and return us to that era of the 1970s when the national defense was neglected and our country paid worldwide and dearly for

The plan adopted by the House would do the following:

- It would set Pentagon spending authority at \$235 billion, compared with \$201 billion in the Senate.

See BUDGET, Page 4



SEOUL PROTEST — Students burned symbols representing the United States on Thursday. President Chun seems to have gained support after violent protests. Page 5.

In Haiti, Vendetta Against Voodoo Leads to Violence and Death

By Marilee Simons
New York Times Service

JEREMIE, Haiti — Thirteen voodoo priests appeared at Mass here on a recent Sunday morning and, before the altar of St. Helen's Church, recanted their belief in African spirits and proclaimed their faith in Christianity.

The occasion was tense. A day earlier, lay workers from the Roman Catholic Church had smashed the priests' voodoo shrines, which had been used for the church, voodoo, and potions and cures that served as their chief objects.

Now, by recanting their "superstitions," the voodoo priests had been told, they could save their lives.

In the three months since the overthrow of the government and the flight of Jean-Claude Duvalier to France, other villagers, many of them from religious groups, have attacked voodoo temples and harassed, threatened and killed their occupants. Mr.

Duvalier now lives in a villa near the French Riviera.

According to military, church and local officials, nearly 100 priests and priestesses of Haiti's ancestral religion have been hounded, burned or put to death in other ways by mobs since February.

"The time of voodoo is over," said the Reverend Delouis Louis in Port-au-Prince. "I am a Baptist minister, we are against voodoo. The secret makes money by making people sick. I told the one in my neighborhood that if she practices again, we will smash her head."

Mr. Shin said he was a writer and school director, has formed a committee of other intellectuals to defend voodoo, because, he said, it is "the basis of our culture, our world view, our identity."

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But Christian groups that have often preached against voodoo as the "work of Satan" have also seized the moment of

political change to strike at the strong, rival faith. They are mainly the revivalists of fundamentalist Protestantism and Catholicism — that have most in common with voodoo, often practice faith healing, cultivate religious fervor and believe they receive the Holy Spirit.

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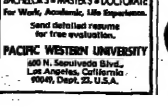
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'Contra' Leader Plans To End Fight and Seek Asylum, Spokesman Says

United Press International
SAN JOSE, Costa Rica — Edén Pastora González, a leader of Nicaraguan rebels, will turn over his weapons to Costa Rican authorities Friday, along with as many as 450 of his fighters, and ask for asylum, according to a rebel spokesman.

Mr. Pastora's spokesman, withdrawal Wednesday from the Nicaraguan fighting came the same day that the three leaders of the United Nicaraguan Opposition, the main rebel group, began meeting in Miami in efforts to regroup in the war against the Sandinist government.

The three, Arturo José Cruz, Adolfo Calero Portocarrero and Alfonso Robelo Calles, got an unexpected show of support from the Reagan administration when Philip C. Habib, the special envoy to Central America, made a surprise visit to their military talks.

In Costa Rica, President Oscar Arias Sánchez said he "would consider" granting asylum to Mr. Pastora.

"If Pastora decides to abandon all military activity, we could consider the request for asylum," Mr. Arias said. "I must say that while he continues to be what he has been up to now — a commander in the anti-Sandinista fight — Costa Rica will not let him use its territory."

Mr. Pastora's decision to give up the fight came days after he was excluded from a major rebel alliance encouraged by the United States. His top commander, who denied him for the largest rebel force, the Nicaraguan Democratic Force.

The pact, announced Saturday, joined the Revolutionary Democratic Alliance with the Nicaraguan Democratic Force in Honduras, an alliance that Mr. Pastora had consistently opposed despite pressure from the CIA, which has provided advisers to the rebels. The agreement replaced Mr. Pastora with another commander.

A spokesman for the Revolutionary Democratic Alliance said Mr. Pastora and up to 450 members would meet with reporters Friday in the border region of Los Chiles before surrendering their arms to Costa Rican authorities.

"We are not going to continue using Nicaraguan blood to endorse the war games of the United States," the spokesman said.

The Nicaraguan "contras," as the rebels are known, arose after General Anastasio Somoza was deposed as president in 1979. Many of their military leaders are former members of Mr. Somoza's National Guard. An estimated 10,000 contras operate out of bases in southern Honduras.

U.S. aid to the rebels began in 1982, after the Reagan administration suspended aid to Managua.

On Wednesday, the International Institute of Strategic Studies in London reported in its annual survey that the chances of a rebel victory against the Sandinist government's problem increased considerably last year and despite U.S. assistance.



A Nicaraguan girl plays with bullet casings she found after a skirmish near La Sierpe.

Mexico Reacts to U.S. Criticism With a Warning

By William Stockton
New York Times Service

MEXICO CITY — Mexican officials, expressing anger and some justification over highly critical testimony by Reagan administration officials before a Senate subcommittee, said that Mexico and the United States are in danger of losing a new era of highly strained relations.

"Since Monday, suddenly the relations between Mexico and the United States are in a very delicate period," a Mexican official said Wednesday. "If this unexpected climate of confrontation between us continues, it could seriously harm our relations."

Another Mexican official said the Reagan administration's reply

to a strong note of protest delivered by Mexico's ambassador to the State Department in Washington on Wednesday would most likely determine the course of relations.

"It is a note nicely worded in the language of diplomats," the official said. "It is not easy to know if what was said in the hearings by the Reagan administration officials represents the feelings of the United States government toward Mexico."

The official said that a response supporting what was said by American officials in the hearings Tuesday before a Senate Foreign Relations subcommittee would seriously strain relations.

At the hearings, U.S. officials strongly criticized the Mexican

government's handling of drug trafficking, illegal immigration, government corruption and Mexico's foreign loan debt.

Predicting a surge of anti-U.S. public opinion in the aftermath of a negative reply to the note, the official said demands would certainly grow among Mexicans, including labor parties, labor unions and other groups, that Mexico's ambassador to the United States be recalled — a possibility the official pointedly did not rule out.

Press reaction in Mexico toward the United States and toward Senator Jesse Helms, a Republican of North Carolina and the subcommittee chairman, was angry and accusatory.

Editorials denounced what they

described as U.S. interventionism in Mexico's internal affairs.

A spokesman for President Miguel de la Madrid denied a suggestion during the testimony Tuesday that relatives of the president were involved in drug trafficking.

"It's not true; we categorically deny it," he said.

Mexican officials expressed puzzlement over the vehemence of some of the testimony, given recent actions by the Reagan administration.

They cited the meeting last month in Canada between Attorney General Edwin Meese III and the Mexican attorney general, Sergio Garcia Ramirez.

The two-day meeting dealt with a variety of law enforcement issues.

Cape Cod Wrestles With Growth Towns Try to Limit Development, Preserve Way of Life

By Laura A. Kiernan
Washington Post Service

CAPE COD, Massachusetts — "For Sale" signs and skeletal frames of new homes are as much a part of the scenery here as pounding surf and salt marshes.

This long, curved peninsula is in the clutches of an unruly building boom in sleepy towns that have part-time governments, loose zoning laws and no long-range plans for preserving their way of life.

"We've lost a lot of what people come here for: a rural-character town, a different way of life," said Jean Thomas, a selectman in the town of Mashpee. "What we're developing into is a suburb of Boston."

Mashpee's year-round population has increased 40 percent since 1980 and its available housing by 25 percent.

The peninsula's permanent population of 167,000 is growing faster than any other region in New England — more than 50 percent between 1970 and 1980 — according to the Cape Cod Planning and Economic Development Commission. The commission says that more detached, single-family homes were built here in 1985 than anywhere else in Massachusetts.

Investors, retirees, successful young people and Boston commuters have been lured here not just by the sea but by falling interest rates and some of the state's lowest property-tax bills.

"If it's for sale, let me buy some," said the reaction was said to be getting, said Armando Carabona, the commission's director. F. Thomas Fudala, Mashpee's planner, said he recently was offered \$60,000 for an acre of land (two-fifths of a hectare) in Mashpee that he bought in August for \$23,000.

Building booms hit the cape in the late 1960s and the early 1970s but were interrupted by economic downturns, according to a state senator, Paul Donnan, whose ancestor arrived on the cape in 1634.

Five years of sustained growth, Mr. Donnan said, "at a pace that is unrivaled" finally made the peninsula's 15 towns examine "what

we're doing to our land and particularly to our groundwater."

More than 15,000 public and private wells have been sunk into a single aquifer, the cape's sole source of water. Groundwater is particularly vulnerable to contamination because pollutants flow freely through the sandy soil.

The health officer for Barnstable County, Stinson Hall, said that well-water samples in Mashpee and nearby Falmouth showed contaminants, possibly from a nearby air force base, the town landfill or septic tanks. Mr. Hall said that 200 residents in two Mashpee neighborhoods have been advised not to drink the water.

He said 30 cape shellfishing sites are closed because of high bacteria counts. Even golf-course greens are sampled to determine if their fertilizing chemicals are polluting the water supply.

Consultants in Hyannis are studying public wells downhill from a sewage plant in Falmouth. The town dump and the sewage treatment plant were built upstream from a main water source.

But Mr. Hall said, the cape's overall water quality remains good. "I haven't given much thought to it other than buying some bottled water," said Henry Hooten, 47, a high school teacher from suburban Boston who paid \$95,000 for a town house in Mashpee in January. Asked why he bought the house, Mr. Hooten said that it was an investment and pointed to a sign saying the properties were selling for \$129,900.

Michael Frucci, executive director of the Cape Cod Chamber of Commerce, said that one of the "terrifying" aspects of skyrocketing real estate prices was that young people now have "damn little chance to buy a new home."

Rental units on the cape decreased by 35 percent in 1984, according to the planning commission, and the state's Commission Against Discrimination plans hearings to determine if some of the cape's realtors are discriminating against low-income renters.

The cape's \$1-billion tourist industry, dependent on workers to staff restaurants, motels and gift

shops, is considering providing housing for workers priced out of the market, Mr. Frucci said. Meanwhile, much of the cape's west end has become a bedroom community for Boston. About 10,000 cape residents commute up to four hours to and from Boston every day. There is talk of commuter railroad service, and some towns are looking distinctly suburban.

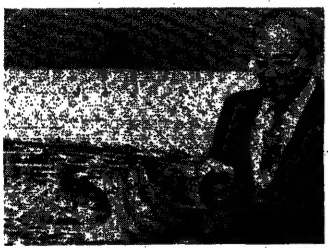
Some cape towns have adopted zoning laws that require an acre of land for each housing unit. But a state law exempts land from zoning changes for eight years if preliminary development plans are on file with local officials. In Mashpee, Mr. Fudala said plans were on file for 80 percent of the town's land, many of them submitted days before the one-acre rule was adopted. Towns are buying land to preserve as open space. With \$2 million from the state, Mashpee paid \$4 million for 250 acres of woodland and salt marsh that would have become a golf course and housing lots.

The state legislature is considering a bill that would allow cape towns to tax as much as 2 percent on the price of land, with the money going into a local "land bank." "It is a precious piece of property," Selectman Thomas said of the cape. "If we don't respect our resources, we will be the losers because, without man, everything would be functioning beautifully."

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Tom Clark of the Energy Department explaining the venting of small amounts of radiation into the atmosphere.

Radiation High at Site After U.S. Test Mishap

By Walter Pincus
Washington Post Service

WASHINGTON — More than a month after a mishap during an underground nuclear test in Nevada, radiation in a tunnel containing test equipment is still so high that the tunnel cannot be entered for "several weeks," according to a Department of Energy spokesman.

Monitors in the tunnel are registering "about 25 rads per hour," the spokesman said. Under current standards involving nuclear tests, an accumulation of 450 rads would kill half of those persons exposed to them,

while five rads is considered a safe level over a year.

The radiation is being contained in the tunnel because of a cement door as much as 10 feet (three meters) thick. But Energy Department officials reported Tuesday that two of about 60 employees working in protective clothing to clear the area outside the test tunnel have shown higher than normal radiation readings.

One worker was found last Friday to have absorbed 200 millirems of radioactive iodine-131 in his thyroid. Occupational safety guidelines permit 5,000 millirems in any three-month period.

After three weeks of ventilating the tunnel, department officials said minute traces of radioactive xenon gas, too low to have health effects, were entering the air.

This was the third time in 10 years that such an accident has occurred, a Defense Nuclear Agency official said Tuesday.

The April 10 test, nicknamed Mighty Oak, was designed to determine radiation effects of a nuclear explosion on different types of U.S. weapons, including the warhead for the MX missile, the warhead and other equipment associated with the new Trident-2 submarine-launched missile.

In Mighty Oak, one or both steel doors meant to hold back radioactive debris in the test chamber did not close. Instead, tons of irradiated material "probably" contaminated and perhaps destroyed some of the targets and an estimated \$15 million of test equipment.

Radiation Recorded
The Energy Department said Wednesday that radiation that had been deliberately released had been recorded 50 (10 kilometers) from the research facility, United Press International reported from Las Vegas.

Tom Clark, manager of the department's Nevada operations office, said ventilation of the Mighty Oak tunnel began April 15 and small amounts of xenon were recorded outside the Nevada test site through the end of April.

"We're inclined to believe the doors" inside the tunnel "worked properly, but we don't have a clear idea what went wrong," he said.

U.S. Court Rejects Damage Claim for Faulty Forecasting

New York Times Service

BOSTON — A federal appeals court has ruled that the National Weather Service was not liable in the deaths of three lobstermen who drowned in a storm after a prediction of fair weather.

In a unanimous decision Tuesday, a three-judge panel of the U.S. Court of Appeals in Boston said the government was not liable for the deaths of the three men. The panel said the government was protected from such liability because weather forecasting was a discretionary or policy-related function.

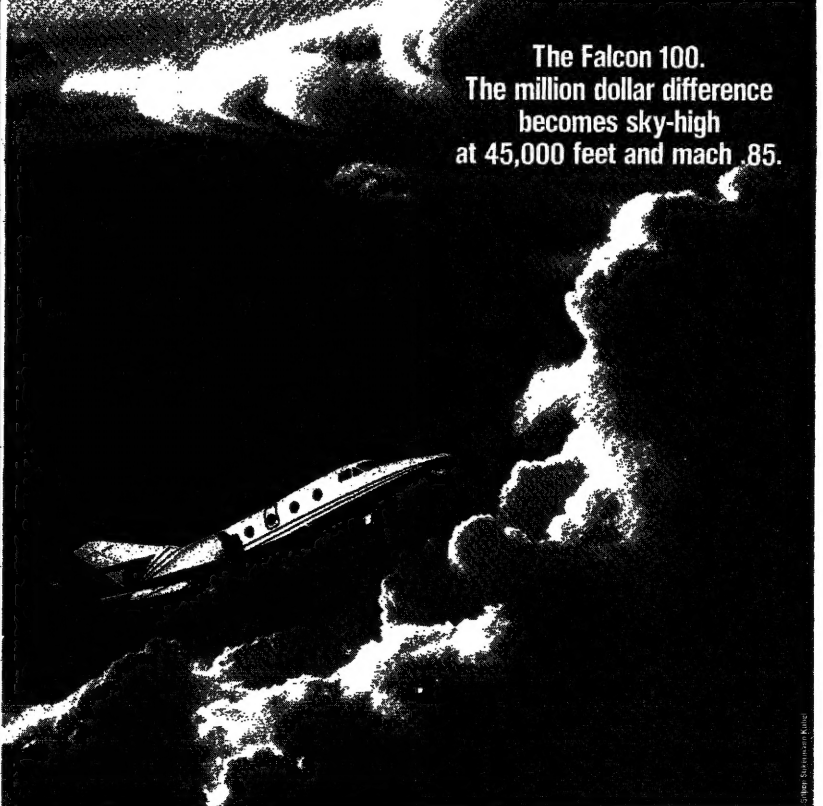
The ruling by an appellate court overturned a ruling last August by Federal District Judge Joseph L. Tauro, who said the government was liable in the three deaths because of its failure to repair a buoy used in forecasts of weather conditions on Georges Bank, a fishing ground off Cape Cod.

Robert L. Willmore, a deputy assistant attorney general, said that the Justice Department was gratified by the latest ruling. Upholding the original decision would have resulted in a rash of lawsuits for faulty predictions, he said.

The discretionary-function exception was written into federal law as a limitation on the government's liability for negligent actions that cause injuries. Mr. Willmore said the exception involved policy decisions.

"When you talk about whether an agency has enough resources or enough personnel, that boils down to: did Congress appropriate enough money to that agency for doing what the plaintiff thinks the agency ought to do," he said.

That's a policy decision."



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EUROPEAN TOPICS

Honk If You Hear

The Enemy Coming

DARMSTADT, West Germany — As of Sept. 1, some 500 Army soldiers stationed here will honk their horns and flap their wings.

The 52d Army Air Defense Command, based in Darmstadt, near Frankfurt, is buying 900 geese for \$25,000 to help guard 30 U.S. air defense and communications sites in West Germany, according to Stars and Stripes, the unofficial newspaper of the U.S. armed forces. The geese will be used to alert nearby human guards.

A command spokesman said the geese live for 25 to 30 years and cost \$28 apiece. A guard dog with training and handler, cost \$50,000 a year.

"They work, they really work," a sergeant said. "A goose has incredible hearing and will even start making noise while asleep if its subconscious hearing detects danger."

Belgian Ex-Official Awaits Trial Verdict

BRUSSELS — The trial of Paul Van den Broek, a former Belgian prime minister, on tax fraud charges has ended after

four months. The verdict is due June 25.

The prosecution cited a long list of names of deceased or non-existent persons and firms that Mr. Van den Broek allegedly used to evade taxes on 170 million francs (\$3.8 million). One fake person was alleged to be a Turk named Beynallilal na Klyat, which turned out to mean "international transports" in Turkish.

Mr. Van den Broek, 66, prime minister from 1966-68 and 1977-79, testified that he had "perhaps been careless or naive," but that he was "not a cheater."

Irish Referendum Likely On Divorce

DUBLIN — The Dail, the Irish parliament, is expected to approve a national referendum for June or July on divorce, currently banned under the constitution. Ireland and Malta are the only European countries that forbid divorce.

The government has drafted a constitutional amendment under which divorce would be granted when a couple has been separated for at least five years, there is no hope of reconciliation and

provisions have been made for dependents.

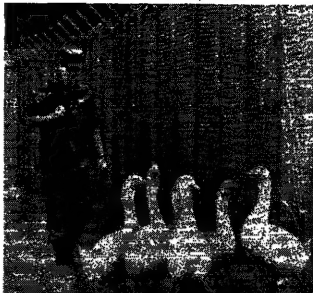
The Roman Catholic Church is against divorce, but polls show that almost 60 percent of Ireland's predominantly Catholic population disagree. Up to 70,000 couples are estimated to be living apart, creating a myriad of legal and financial problems over children, property and the status of new relationships.

Around Europe

PARIS — Jean-Marie Le Pen, leader of the rightist National Front party, made a formal trip this week as a Paris ceremony commemorating Joan of Arc, France's national heroine.

"Joan," he said, turning to her statue, "you, at the head of an army, embodied the popular resistance against foreign occupation, and your watchword 'drive the French out of France' is one of the phrases which remains—Europe must—'drive the English out of France'—which remains engraved in our history books." One of Mr. Le Pen's announced aims is to rid France of foreign workers.

LONDON — For the past 106 years, dog licenses in Britain have cost 37 pence (56 cents) a



Guard-duty geese helped patrol the fence around a U.S. base at Mainz, West Germany. The U.S. military hopes to have 900 of the web-footed sentries on duty by Sept. 1.

year. They will soon cost nothing for the country's six million dog owners. A proposal to increase the fee to about £10 (£15) was rejected. And since the treasury has been spending £3.5 million to collect the £700,000 brought in annually, the government decided to drop the license fee.

TORQUAY, England — The seaside Grand Hotel here, which says it has had 200 cancellations

by Americans since the U.S. bombing raid on Libya on April 15, is giving awards for letters to Americans who visit Britain despite the scare over terrorism. U.S. guests receive signed letters attesting to their courage. The hotel also serves them free Purple Heart cookies, made of fruit, blue curaçao, mandarin and grapefruit juice.

—Compiled by SYDNEY LOULIN

In Pursuit of Palme's Assassin

Police Commissioner Risks His Reputation on Case

By Joseph Lelyveld

New York Times Service

STOCKHOLM — By Wednesday, the 74th day of the investigation into the murder of Prime Minister Olof Palme, police investigators had fed 23,774 documents into the computer they are using to collate a constantly expanding mass of information.

The material included statements by informants and witnesses, summaries of leads and tips, reports on the activities of individuals who might be suspects or known to suspect, anything at all of potential value.

Mr. Palme was gunned down in central Stockholm on Feb. 23 while on his way home from the movies with his wife.

The murder investigation is the largest that Scandinavian law enforcement has ever conducted by Hans Holmér, Stockholm's police commissioner.

Despite the volume of information, Mr. Holmér still could not say whether the killer had acted on his own or with accomplices, whether he was Swedish or foreign, whether he was a terrorist or a person motivated by revenge.

What he could say is that the investigation has been going on for more than 10 weeks of systematic police work had put him in a position to start closing off some paths of investigation as probable dead ends.

He said he believed that meant he must be getting closer to the heart of the matter, even if he was still searching.

The investigation has become Mr. Holmér's whole life. His other duties have been delegated to subordinates.

Instead of keeping a safe bureaucratic distance, as a Swedish commissioner would normally do on even the biggest of cases, he has taken up permanent residence in a special situation room at police headquarters in Stockholm.

"Palme Room," says the sign outside. Inside the walls are covered with photographs of the area in which the prime minister was shot. The photos were taken from helicopters, from street level, and with witnesses showing where they were standing when Mr. Palme fell.

A computer operator sits at his terminal in the corner. Following the example set by Mr. Holmér, he has been given access to sleeping only four or five hours a night, the computer operator has not had a day off in all the time he has been working.

After 23 days of conferences in 74 days, Mr. Holmér is almost certainly better known to the Swedish public than any other official.

"I'm determined," Mr. Holmér says, "to stay here until we have caught him."

His complete identification with the investigation has made him a hero to many Swedes, who see him as a man striving to restore the national sense of order in the wake of a chaotic world.

But it also makes him a potential suspect. This week Justice Minister Sven Wicksjö said the government would begin an investigation of the assassination and of the police investigation headed by Mr. Holmér.

Under the Swedish system, Mr. Holmér has had considerable freedom to run the investigation his own way without answering to the government on a daily basis. He has said that an investigation of police investigators will only waste his valuable time.

The newspapers have enhanced Mr. Holmér's already considerable standing, making an investigation that involved 300 officers full-time

at its peak appear as a battle of wills between Sweden's best-known civil servant and the unknown assassin.

Now there are about 200 investigators, with plans to reduce the force to 75.

An embarrassment for Mr. Holmér was the decision by the attorney general to release Ake Lenner, Viktor Gunnarsson, the one person he had taken into custody in the killing.

A key witness could not identify Mr. Gunnarsson, and police have been able to show no more than that he was within several blocks of the killing shortly after it occurred and that he behaved erratically.

Mr. Gunnarsson's release was announced March 19. He was being questioned again this week and shown in police lineups.

Although Mr. Gunnarsson has a good memory for things that happened several years ago, he still says that he can not recall details of his movements on the night of the killing.

Mr. Gunnarsson is not the focus of the investigation, the commissioner said. Rather he is one of about 80 potential suspects who are still being investigated, according to a police source.

Late last month police released a computer-enhanced photograph of a man wanted as a suspect in the killing. Mr. Holmér said the man was not the killer but had been seen following Mr. Palme.

In the first days of the investigation, police focused on the possibility that foreign groups were involved. Croats, Kurds and the Japanese Red Army guerrilla group had been linked to previous incidents of terrorism in Sweden.

In the absence of the usual assertions, threats or new demands from such groups, it was normal now, he said, to imagine that Mr. Palme's assassin was a very professional international killer or a fanatic.

Until the move for the crime is found, it will remain unclear whether the killer was only after Mr. Palme or whether Swedish leaders might still be targets of an ongoing conspiracy.

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BUDGET: House Rebuffs Reagan

(Continued from Page 1)

the budget plan and \$520 billion requested by Mr. Reagan.

It would add \$7.5 billion in unspecified higher taxes to the \$3.9 billion in minor tax increases that Mr. Reagan has recommended.

The Senate package assumes the level of revenues but applies the increases to help finance Reagan spending. The House would set aside \$4.7 billion of the increase for reducing the deficit.

It would leave a budget deficit of \$157 billion for fiscal 1987, \$7 billion below the \$164-billion target required by a new deficit-reduction law. The Senate plan projects a \$164-billion deficit for 1987.

The measure would restrain spending on most domestic federal programs, including foreign aid and up to 20 percent in some

cases. Through the end of the decade, domestic savings in the Senate plan would be about \$12 billion, like the House plan.

Like the Senate plan, it would assume a full cost-of-living adjustment for federal benefit programs based on a projection of 2 percent inflation.

Seventeen Republicans joined 228 Democrats to pass the House measure, and 19 Democrats voted with 160 Republicans against it.

Throughout Congress's budget deliberations this year, legislators have been frustrated by the constraints of the new law aimed at forcing a balanced budget by 1991.

While the package backed by Democratic leaders includes higher taxes, there is still resistance among many Democrats to take such politically sensitive action.

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China's Talks With Taiwan Over Jet Will Be Saturday

By John F. Burns

BEIJING — China and Taiwan ended two weeks of maneuvering Thursday and agreed to open talks in Hong Kong on Saturday about the return to Taiwan of a hijacked Taiwan Boeing 747 cargo jet and two of its three crew members.

The agreement followed a series of proposals and counterproposals that appeared to have less to do with the eventual disposition of the incident than with political concerns that stem from the Chinese civil war that ended in 1949.

Beijing made it clear early on that it planned to give up the aircraft, its cargo of fruit and fish and the crew members who decided to return to Taiwan. But it indicated just as clearly that it intended to make a political point.

That point was conceded by Taiwan when it agreed earlier this week to direct talks between the two airlines — the Civil Aviation Administration of China in Beijing and China Air Lines in Taipei.

Initially, the Taipei-based carrier, whose majority owner is the Taiwan government, had asked to settle the matter through an international, Cathay Pacific Airways of Hong Kong, in order to avoid breaching a 1950-era ban by the Taiwan government on any direct contact with the Chinese Communist authorities.

By the time that Taipei agreed to direct talks, Beijing had made a concession of its own by dropping a demand that the talks be held in Beijing. It suggested Hong Kong as a venue, and all that remained was for agreement on a date.

Announcements by both airlines Thursday confirmed the arrangements for Saturday and revealed that the heads of both delegations will be the airlines' respective managers in Hong Kong. The arrangement is in accord with statements from both parties that nothing more than "business-type discussion" — in Taiwan's phrase — is involved.

Beijing's calculation so far seems to have been that it can avoid an incident to depict itself before the media as the more reasonable of the two governments.

Incidence as the Taipei government first insisted on no direct negotiation and then later said it would consider that it has partly achieved that goal.

Although Beijing insisted on the concession, it has shown no sign that it considers it a major breakthrough. Thousands of Taiwan citizens already visit the mainland regularly each year through Hong Kong, and there are frequent contacts between fishermen.

Last year, the two sides ran up a total of about \$1.5-billion in indirect trade, mostly through Hong Kong, and none of this brought Taipei any closer to the political dialogue that Beijing has sought. Rather, Beijing seemed to have been content on this occasion to make a largely symbolic point, without the lengthy delays that would have imposed real hardship on the individuals involved.



POLICE, PROTESTERS CLASH — Opposition leaders and other protesters starved with police Thursday outside election commission offices in Dhaka, Bangladesh. The opposition alleges that nationwide elections held on May 7 were rigged by the ruling Jatiya Party, which is supported by President Hussain Mohammad Ershad.

Mozambique Reconsiders Ties to West

It Feels U.S. Hasn't Pressed Pretoria to Honor Accord

By Glenn Frankel

Washington Post Service

MAPUTO, Mozambique —

Mozambique, whose warring by the

Reagan administration is widely

viewed as the one clear U.S. diplomatic

success in southern Africa, is

beginning to have second thoughts

about its opening to the West.

There is a growing feeling inside

the Marxist government of Presi-

dent Samora Machel that the United

States has failed to deliver on

promises of support it made two

years ago when Mr. Machel took

a big political risk by signing a non-

aggression pact with South Africa.

Under the 1984 agreement, Mapu-

to expelled thousands of members

of the African National Con-

gress, the main guerrilla group

battling the South African govern-

ment. In return, Pretoria pledged to

halt its support for anti-govern-

ment rebels and mercenaries oper-

ating inside Mozambique.

The accord itself is the subject of

alleged violations by the South

African military, which officials

say has continued to provide

government forces with arms and

supplies despite the agreement.

They also declare that the United

States has not applied maximum

pressure on South Africa to honor

the treaty.

"We understand that there is a

process which will take time," For-

eign-Minister Jacinto Chilundo

said recently, "but we can clearly

state that the United States of

America is not yet seen to be doing

tangible things in Mozambique."

A main architect of the 1984

agreement with South Africa,

which is called the Mozambique

Peace and Friendship Accord, was

the South African border

town where it was signed, Mr. Chi-

lundo emphasized that his govern-

ment would continue to honor the

accord and that it still hoped Wash-

ington would fulfill its commit-

ments.

But analysts say there are others

in the ruling Politburo who are

urging Mr. Machel to back away from

the country's growing reliance on

the West.

"Their main argument is that the

United States is not being serious

with Mozambique," said a Mozam-

biquan analyst. "It's quite clear that

after two years of Nixonism, the

U.S. still hasn't made up its mind.

And it's not clear what these guys

want from us."

The pact on paper was a bilateral

accord between Maputo and Pretoria,

but it also was part of a larger

compact between Mozambique and

the West.

Around the time it was signed,

Mr. Machel invited Western aid

agencies to set up shop in Maputo,

joined the World Bank and the In-

ternational Monetary Fund, and

embarked on a series of changes

designed to revive the country's

economy.

In turn, the West offered the

prospect of increased aid, new in-

vestment and assistance in fighting

the rebels of the Mozambique Na-

tional Resistance movement,

known by the Portuguese acronym

RENAMO. The crowning event of

the rapprochement with Washing-

ton was Mr. Machel's visit to the

White House last September.

Western nations have supplied

emergency food aid to help cope

with the effects of a five-year

drought, now abated, and the

continuing fighting against the resis-

tance.

Since 1983, the United States has

been Mozambique's largest food

donor, supplying \$73 million in

grain and other staples and ear-

marking \$56 million more for this

year. But Washington has been less

forthcoming with economic devel-

opment assistance, in part because

of congressional opposition.

But the West has been unable or

unwilling to supply the govern-

ment's other main need: arms and

ammunition.

Backlash to Violence Strengthens Chun

By Patrick J. Smith

International Herald Tribune

SEOUL — After several months

of mounting anti-government ac-

tivity, President Chun Doo Hwan

has regained at least a temporary

advantage over his political oppo-

sition, diplomats and local political

analysts here believe.

Until recently the South Korean

leader had been seen as wavering in

the face of the growing strength of

his adversaries.

However, since violence occur-

red early this month during a

demonstration in the port city of

Incheon, Mr. Chun appears to have

won a degree of public support for

a tougher response to protests by

discontent students and workers.

Some dissidents groups have in-

stead agreed to restrain their de-

monstrations to avoid political is-

olation, according to opposition

sources.

At the same time, the moderate

opposition has so far failed to reply

to Mr. Chun's offer on April 30 to

accept constitutional change if it is

mandated by the National Assem-

bly.

The New Korea Democratic Par-

ty has been demanding constitu-

tional amendments to allow for di-

rect presidential elections in 1988,

when Mr. Chun is to step down.

"Chun has shown himself to be

flexible," a Western diplomat said

in an interview. "Obviously, anti-

Americanism will be enhanced."

Both the government and the op-

position are now braced for wide-

spread demonstrations this week-

end on the sixth anniversary of a

popular uprising in the southern

city of Kwangju.

By the official count, almost two

hundred students were killed dur-

ing the 1980 disturbances, which



Chun Doo Hwan

towns and the large student

movement.

"Frankly, for the benefit of both

countries Mr. Shin's shouldn't

have come," Kim Young Sam, a

prominent opposition leader, said

in an interview. "Obviously, anti-

Americanism will be enhanced."

Both the government and the op-

position are now braced for wide-

spread demonstrations this week-

end on the sixth anniversary of a

popular uprising in the southern

city of Kwangju.

By the official count, almost two

hundred students were killed dur-

ing the 1980 disturbances, which

coincided with Mr. Chun's rise to

power.

Security arrangements in

Kwangju and other major cities are

expected to be extensive. Police de-

tachments are already stationed

more or less permanently on the

edges of the nation's large univer-

sities, where demonstrations have

continued all week.

The New Korea Democrats are

to mark the occasion only with cer-

emonies at party offices in Seoul

and other cities, interrupting a se-

ries of popular nationwide rallies

beginning in February. This is widely

believed to be an effort to avoid

involvement in potentially explo-

sive confrontations with govern-

ment forces.

As the Kwangju anniversary ap-

proaches, the student movement

appears divided between those

willing to continue averting vi-

olence — if only for tactical reasons

— and those who view it as inevi-

table.

While political moderates have

received assurances of restraint

from some dissidents, these are not

supported across the broad spec-

trum of activist groups.

"Because of the character of the

Chun regime, you can't demon-

strate peacefully," a student leader

said Wednesday.

Last late moderate leaders

openly criticized the "extremist

demands" of students and the in-

creasing violence of their demon-

strations.

Kim Dae Jung, a prominent

moderate, has since censured this

criticism as a serious political error,

opposition sources said privately.

The New Korea Democrats are

now trying to institute a dialogue

with student groups in an attempt

to develop a common platform.

Mr. Kim said this week.

At the same time, moderates are

to begin talks with the ruling party

later this month on constitutional

changes. Most students view this

course as pointless because Mr. Chun

controls a majority of seats in the

National Assembly.

The moderate opposition still

enjoys widespread support among

South Koreans. But analysts expect

its negotiations with the ruling par-

ty to further exacerbate divisions

among Mr. Chun's opponents, not

heal them.

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INSIGHTS

Oklahoma: Rusty Rigs And Fading Fortunes

Plunging Oil Prices, Crop Surpluses Create a New Wave of Dispossessed

By Robert Reinhold
New York Times Service

ENID, Oklahoma — Don Hughes watched gleefully as 37 years of toil in the oil business turned to dust. The last few hands at his Hughes Drilling Co. were hauling in his field equipment, stacking the huge blue and white steel rigs, putting away the water tables, the rat holes, the mouse holes and the dog houses.

Mr. Hughes had laid off his wife the day before, and this was Guyella Phillips' last day after four months as receptionist. Soon the gains will be locked and everything Mr. Hughes bought, including his pool office with its copper-hooded fireplace, and his Mercedes Turbo Diesel 308SD with radio-telephone will belong to the Continental Illinois National Bank and Trust Co.

The suddenness of his collapse stunned even Mr. Hughes. Until two months ago, he was probably the boldest drilling contractor in the state of Oklahoma. Though oil and gas exploration had slowed since the great boom that peaked in 1982, he drilled 181 wells last year and was still hiring well recently.

But when the price of oil collapsed from \$27 to \$13 a barrel in a matter of weeks last winter, drilling in Oklahoma nearly ceased. Now, staggering under \$13 million of debt, Mr. Hughes runs the great energy boom that lifted him from country roughneck to president of a company that once employed 400 people and grossed \$4 million a month.

"During the boom everybody was screaming and hollering for rigs," Mr. Hughes says. "There was not a week that at least three bankers from the major banks weren't here trying to loan me more money for more rigs. Chase Manhattan, Continental Illinois, Seafirst. They told me it was a shining star. We were written up in *Inc.* magazine as one of the fastest-growing companies. Bear Stearns tried to get me to go public. And here I am just an old field hand. I kept believing what all these people were telling me."

AND so Mr. Hughes has learned the same bitter lesson as his father, an oil worker who lost his job during the Great Depression when oil dropped to 11 cents a barrel. His \$30 million worth of equipment, including 13 drilling rigs and 10 well-servicing rigs, probably will not bring more than 10 cents on the dollar at the foreclosure auction.

Mr. Hughes says he will declare bankruptcy, collect unemployment insurance and get ready for the next upturn. "In 1980, everybody was asking me to go back into business," he predicts.

His story is a parable of Oklahoma today. The boom that began in 1973 seemed to lift the entire state into a heady prosperity unknown in its brief history, generating a false belief that

this once-impovertised land had finally moved beyond its agrarian and oil economy.

A small army of Northerners, fleeing from troubles in the "rust belt," migrated to Oklahoma. But now the collapse of the price of oil and wheat, still Oklahoma's mainstays, has brought home to Oklahomans the fact that their state, possibly more than any other, rests on a fragile and vulnerable economic base resembling that of a Third World country.

From the roads and highways, Oklahoma's troubles are not altogether obvious. The black pumping jacks continue to peek at the rich red ground like giant ravens, and the winds send graceful waves through lush green fields of winter wheat, the kernels just now pushing out of the "boot."

But the pumps are rapidly being shut down, leaving inanimate sculptures in the fields. When the wheat harvest begins in a few weeks, the crop will only add to the vast surpluses already choking the huge elevators that guard the entrances to nearly every rural town like medieval fortresses. In rural cafes, busy men in coveralls and peak caps converse with each other over the sorry price of oil and wheat, and not a few are leaving in tears.

There is tragedy in all this. For a time it seemed that Oklahoma had finally outgrown its Dust Bowl image of the Depression when a third of a million "Okies" fled the choking dust storms for California.

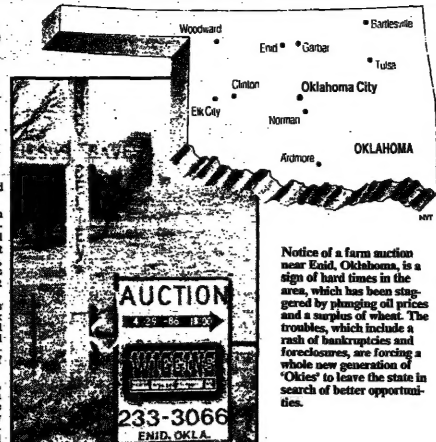
It is an image that lives forever in "The Grapes of Wrath" by John Steinbeck, whose description of the desperate journey West along Route 66, "the mother road, the road of flight," has long defined the American concept of Oklahoma.

It is certainly not that bad today, although no one can remember it being any worse since the Depression. Ironically, Oklahoma's troubles are rooted not in scarcity or crop failures, as in the 1930s, but in a vast surplus of most of what the state produces.

The change has come as swift as a prairie fire. In 1981, Oklahoma had the lowest unemployment rate in the country, averaging 3.6 percent for the year. In March the rate stood at 8 percent, a full point above the national average.

At the beginning of May, there were only 128 drilling rigs at work in the state, almost the lowest level since World War II, and down from a peak of nearly 900 at the end of 1981. If oil prices do not recover, Oklahoma's oil income will drop to \$1.6 billion this year, from \$5.4 billion in 1981, according to Neil J. Dillman, economist at the University of Oklahoma.

The riggers have washed over almost all sectors of the economy — hotels, restaurants, automobile and truck dealers, clothing stores, real estate, banks, wholesalers. The daily news is an unremitting drumbeat of new layoffs — including 1,000 by the Phillips Petroleum Co., a struggling New York-based oil company, a state-owned New York City, a northeast Oklahoma town of 25,000 where Phillips is based.



Notice of a farm auction near Enid, Oklahoma, is a sign of hard times in the area, which has been staggered by plunging oil prices and a surplus of wheat. The troubles, which include a rash of bankruptcies and foreclosures, are forcing a whole new generation of 'Okies' to leave the state in search of better opportunities.

Twenty-four Oklahoma banks have failed since the collapse of Penn Square Bank in Oklahoma City on July 5, 1982. Home mortgage foreclosures are at an all-time high and hundreds of homes are being sold at auction.

Even before the latest oil-price plunge, people were beginning to move out of Oklahoma again. According to the Census Bureau, the net outflow was 27,000 between 1983 and 1984, and 34,000 between 1984 and 1985 and the pace has certainly quickened since.

Still, some say the news is not as bad as it looks. Lashin Warner, professor of economics at Oklahoma State University, says that sectors that are kept to the national economy rather than oil, such as distribution, transportation, food processing and light manufacturing, are doing quite well. He says employment in Oklahoma is about where it would have stood had normal growth occurred over the last decade.

"If you take any sector and triple it and it drops back you are going to perceive bust," he said. "Virtually all the growth was generated by the oil boom. When we had the lowest unemployment rate there was no way we could diversify. You could not put together a work force. During that period Oklahoma became de-diversified and more fragile. It was like a love affair that did not work out."

Edwin E. Long is as Oklahoma as they come. His grandparents homesteaded during the land rush of 1889, and he now runs the John Deere farm-implements business that his father, Lloyd Long, founded during the "last Depression."

Outside his office in Garber, a small farming and oil town, there are long rows of unalloyed green-and-yellow tractors, combines, drills, disc, tillage and bedders, many new, some repossessed from bankrupt farmers and friends.

He pointed to one tractor, a big Model 4440 given up by a farmer who had gone broke because he had mortgaged his land to help his brother go into the oil business at the wrong time.

In his office, Mr. Long held up a thick pile of manila folders, each one a bad loan. "I've never had this before. This guy owes me bunches of money. Normally farm people pay you. But I'll get 10 cents on the dollar for this one." Over the last three years, Mr. Long's sales have dropped by \$1 million, or 10 percent a year.

Members of the Long family are also wheat farmers and oil producers, but there is no help there. They got caught up in the land levelling of a few years ago, buying a quarter section, or 160 acres (65 hectares), of prime farmland for nearly \$2,000 an acre in 1981. That land is worth no more than about \$600 an acre today, and the price of wheat has dropped from \$5.60 a bushel to \$2.70, and the debt is still there. There are 36.3 bushels in a metric ton.

Meanwhile, Mr. Long and family members own a share in a small oil company. During the height of the boom, the company bought two drilling rigs, recently sold off at 35 cents on the dollar, and is still trying to pay off a \$1 million deficiency on the loan. Mr. Long says he is living off his "reserve" until times get better.

"Throughout Oklahoma, farmers have survived only because they enjoyed oil and gas royalties from their land. Last year, Chasley Stafford, who raises wheat, soybeans and cattle in Wagner County near Tulsa, lost \$14,000 on farming, but came out in the black because of \$26,000 in royalty payments and lease bonuses.

Now the operator of three wells on his land says they will be shut down. In the past, he said, oil would bail out agriculture in bad times, or vice versa. "For the first time, they're all down together," he said.

Canal Debate: Is Panama Preparing for Takeover?

By James LeMayne
New York Times Service

PANAMA — Panamanians celebrated emotionally seven years ago when the treaty went into effect under which control of the Panama Canal will be handed over from the United States by the year 2000. It was the realization of a long-delayed dream that went to the heart of Panamanian national sovereignty.

Today, the treaty remains a source of pride, widely seen as a notable exception in the frayed relations between the United States and Latin America, a case where negotiation rather than force was used to resolve differences.

But although few question the treaty's merit, several officials are beginning to express concern for the future management of the canal.

The ribbon-tissue way still smoothly lifts giant freighters, tilting like beached whales, through a series of locks for 50 miles (about 80 kilometers) between the Atlantic and the Pacific. But canal officials say they fear the Panamanian government is not taking the steps necessary to prepare for the administration and maintenance of the canal in the future.

Fernando Manfredo Jr., the Panamanian subdirector of the canal, played a key role in negotiating its return to Panama as an adviser to the former government of General Omar Torrijos Herrera. Now, he has become one of the most outspoken critics of his government's lack of preparation.

"Panama can't wait until the last minute to take over responsibility for the canal — it has to start now," Mr. Manfredo said in an interview in his large office overlooking the waterway.

A quick-witted businessman with a reputation for saying what he thinks, Mr. Manfredo has formed an alliance with aging canal employees who share a love for the waterway and are committed to see it functioning well into the future, no matter who runs it.

The American director of operational services for the canal, Fred Cotton, is what is known as a Zonian, one of the dwindling tribe of Americans who were born and raised in what used to be the U.S.-controlled Canal Zone.

Echoing Mr. Manfredo's worries, Mr. Cotton noted that the canal is essentially a sophisticated machine for moving ships rapidly between two oceans. Maintaining and operating the 70-year-old waterway and its aging machinery requires thousands of highly trained people and tens of millions of dollars in repairs and investment.

"The machinery in the canal was built between 1906 and 1915," Mr. Cotton said. "If something breaks, you can't pick up a telephone and order a replacement part. It has to already be ready and waiting."

What that means in practical terms is that canal warehouses are filled with \$30 million in spare parts.

If maintenance is not pursued, breakdowns are likely, reducing the canal's attractiveness to shippers. Mr. Manfredo warns that railways and trucking companies in the United States stand ready to compete with the average \$26,000 fee

for moving a shipload of cargo through the canal.

Mr. Manfredo has begun to make public statements on the need to train Panamanians to operate the waterway in the future, but he said he is being hampered by the failure of the government to define how it intends to run the canal when it takes full control in 14 years.

As a consequence, he said, he is already having difficulty persuading talented young Panamanian engineers to take a job with the canal, a position that was once among the most sought-after in the country.

In the years ahead most of the 1,300 American staff still employed at the canal will be replaced by Panamanians. For the Americans, it is the end of a way of life in what was once an American colony, a narrow strip of Midwestern suburbia stretching across Panama. The American employees attended Balboa High School, spoke English instead of Spanish and shopped for cornflakes, peanut butter and other American necessities at a government store.

"We were born here, educated here, worked and, eventually, were buried here," Mr. Cotton said.

Most of those unable to accept the transition to Panamanian control have already left, said Henry Twilley, head of the American Residents Advisory Committee.

Among the most important tasks in the waterway is that of the 230 pilots who guide the ships through the narrow locks from ocean to ocean. At present, almost all are North Americans. But under a special program Panamanians are being trained for the tricky work in that a misjudgment of a few feet can result in dented hulls, crumpled piers and costly lawsuits.

"The canal is a very delicate instrument," said Captain Michael Fanning, senior canal pilot and chief of the pilots. "We are training Panamanian pilots as fast as we can."

Taking over control of the canal will call for more subtle talents from the first Panamanian who is given the job. The treaty stipulates that in 1990 the American director will switch jobs with the Panamanian deputy director, placing the Panamanian in charge.

Several officials expressed fear that no matter how capable the new Panamanian director proves to be, the canal's administration will be slowly politicized and weakened.

The officials noted that Panama's economy and politics are dominated by the army, a force that Panamanian political analysts most often describe as a mafia with its fingers in everything. They say they fear the head of the army will appoint cronies to key jobs and dip into the reserve funds used to maintain the canal.

What is in effect a low-key debate with the army now appears to be under way, aimed at demonstrating to the army high command that the canal is too important to Panama and the rest of the world to be treated lightly.

"I'm convinced Panama is capable of running the canal, that it has the talented people to do it," said a senior canal official. "But the government will have to start doing things differently if they are going to make it a success."

1. Jonathan Pryce as Sam in the film "Tomb Raider".
2. Yusef Salaam wearing gown.

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NYSE	133.20	133.20	133.20	133.20	0.00
NYSE	133.20	133.20	133.20	133.20	0.00
NYSE	133.20	133.20	133.20	133.20	0.00

NYSE Index					
Index	Open	High	Low	Close	Change
NYSE	133.20	133.20	133.20	133.20	0.00
NYSE	133.20	133.20	133.20	133.20	0.00
NYSE	133.20	133.20	133.20	133.20	0.00

NYSE Closing					
Vol. of 4 P.M.	133.20				
Prev. 4 P.M. vol.	133.20				
Prev. consolidated close	133.20				

AMEX Diaries					
Index	Open	High	Low	Close	Change
NYSE	133.20	133.20	133.20	133.20	0.00
NYSE	133.20	133.20	133.20	133.20	0.00
NYSE	133.20	133.20	133.20	133.20	0.00

NASDAQ Index					
Index	Open	High	Low	Close	Change
NYSE	133.20	133.20	133.20	133.20	0.00
NYSE	133.20	133.20	133.20	133.20	0.00
NYSE	133.20	133.20	133.20	133.20	0.00

AMEX Most Actives					
Not available					

Dow Jones Bond Averages					
Index	Open	High	Low	Close	Change
NYSE	133.20	133.20	133.20	133.20	0.00
NYSE	133.20	133.20	133.20	133.20	0.00
NYSE	133.20	133.20	133.20	133.20	0.00

NYSE Diaries					
Index	Open	High	Low	Close	Change
NYSE	133.20	133.20	133.20	133.20	0.00
NYSE	133.20	133.20	133.20	133.20	0.00
NYSE	133.20	133.20	133.20	133.20	0.00

Odd-Lot Trading In N.Y.					
Index	Open	High	Low	Close	Change
NYSE	133.20	133.20	133.20	133.20	0.00
NYSE	133.20	133.20	133.20	133.20	0.00
NYSE	133.20	133.20	133.20	133.20	0.00

Standard & Poor's Index					
Index	Open	High	Low	Close	Change
NYSE	133.20	133.20	133.20	133.20	0.00
NYSE	133.20	133.20	133.20	133.20	0.00
NYSE	133.20	133.20	133.20	133.20	0.00

AMEX Sales					
Index	Open	High	Low	Close	Change
NYSE	133.20	133.20	133.20	133.20	0.00
NYSE	133.20	133.20	133.20	133.20	0.00
NYSE	133.20	133.20	133.20	133.20	0.00

AMEX Stock Index					
Index	Open	High	Low	Close	Change
NYSE	133.20	133.20	133.20	133.20	0.00
NYSE	133.20	133.20	133.20	133.20	0.00
NYSE	133.20	133.20	133.20	133.20	0.00

NYSE Down; Volume Moderate

United Press International

NEW YORK — Prices on the New York Stock Exchange plummeted in moderate trading Thursday, ending all of Wednesday's gain. Analysts attributed the loss to uncertainty about the course of interest rates and to futures-related selling. The Dow Jones industrial average lost 33.60 points, or 1.86 percent of its value, to close at 17,468.

Broader market indicators also retreated. The NYSE composite index dropped 1.61 to 133.20. Standard & Poor's 500-stock index fell 3.31 to 334.43. The price of an average share fell 4 cents.

Declines led advances by almost 3-1.

The Federal Reserve's report Thursday that the economy grew 2.1 percent in the first quarter, compared with 1.2 percent in the third quarter, was part of the "realistic dance" of a market correction, said Monte Gordon of Dreyfus Corp.

Gordon, former chief of the Federal Reserve, said investors were concerned about the course of interest rates.

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When the economy shows signs of life, some investors worry that the Fed will be less inclined to let interest rates move lower, Mr. Gordon said.

After the market closed, the Fed reported that the nation's basic money supply expanded by \$6.1 billion during the week ended May 5.

The growth, added to last week's unexpected \$3 billion rise, only reduced chances that the Fed will encourage lower interest rates.

Future-related selling also kept the pressure on the market. When the June futures contract on the S & P 500-stock index traded at a discount to its underlying basket of cash equities, it became advantageous for traders to buy the futures contract and sell the relatively expensive equities.

On the trading floor Unocal was the most active NYSE-listed issue, losing 1/4 to 23 1/2. Mesa sold a 12.35 million-share stake in Unocal in the second-largest block trade ever completed on the New York Stock Exchange.

Safeway Stores followed, jumping 3/4 to 41 1/2. Philadelphia Electric was third, easing 1/4 to 17 1/2. Among other utilities, Commonwealth Edison eased 1/4 to 30 3/4. Gulf States Utilities lost 1/4 to 10 1/2 and Ohio Edison lost 1/4 to 18 1/2.

Other interest-rate sensitive financial issues retreated. Great Western Financial fell 1/4 to 39 1/2. First Boston dropped 3/4 to 32 1/2 and CNA Financial lost 1/4 to 54.

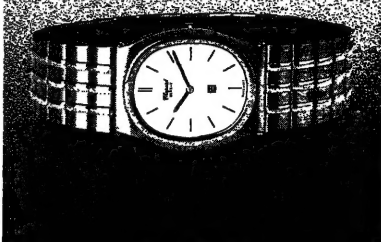
IBM fell 3/4 to 145 1/2. Elsewhere in the technology group, Digital Equipment lost 3/4 to 85 1/2. Cray Research dropped 1 1/2 to 80 1/2 and Honeywell fell 1/4 to 75 1/2.

In the semiconductor group, Texas Instruments dropped 3/4 to 123 1/2. National Semiconductor eased 1/4 to 13 1/2 and Motorola retreated 1/4 to 45.

To Our Readers

Over-the-counter stock prices were not available in this edition because of technical problems.

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Lartigue: A Sunlit World

PARIS — An enchanting exhibition of stereoscopic photographs by Jacques-Henri Lartigue, taken from 1902 to 1928, has just opened at the Grand Palais, the repository of Lartigue's gift to the nation of 100,000 prints and 130 photograph albums. The pictures, displayed for the first time in a way that gives the proper three-dimensional effect, were taken mostly with a Spido-Gaumont camera given to Lartigue when he was 8 years old.

Now he is 92 and he sits politely at the typewriter, his white hair brushed forward as it was when he was a boy, his eyes as always

MARY BLUME

side with a cane, his legs cold under the
black-and-white corded trousers, Lartigue and his
wife, Fiorette, on a sunny and rainy Paris day,
are dressed in sunny pastels as if they were
back home on the Côte d'Azur. They carry
the same smiles, the same sense of well-being
ordered and enchanted that everyone feels
at home with them. Strange American pho-
tographers, when they meet Lartigue, em-
phasize that they are not Americans.

His photographs show a small world of
affection and play and discovery and comic
skills where "the sun comes into the library
and the trees wave freshly on the lawn."
Lartigue's collection is a treasure. In 1921
Thornton wrote in "Marianne Thornton,"
they are happy memories of days we never
new and people smile when they look at the
photographs and find themselves in them
not the slightest bit nostalgic.

"Not at all, not at all," he says. He likes to spend for emphasis. "What interests me is this moment, you must find in every day things that interest you. There is always something good."

He may be as fresh as a boy but he is not naive: he describes himself as a marathon runner who chases butterflies. To find the butterflies he has to know their opposite: if he took did not have the words "to be naive" — and to have the knowledge always to find pleasure suggests discipline and tenacity.

It is a question of not being lazy and sometimes it is difficult. He exercises every morning, even this past winter when he was "quite ill" and even when he was young and lived home at 6 A.M. from a night of dancing.

The Larigues live in Opio, in the hills above the Riviera, where "Colette Larigue as born and where Larigue spent many of her years between the wars as a fashionable artist and assistant to film directors; she was surrounded by a circle of admirers and beautiful women, wearing a garland in the lapel of his dinner jacket so its fragrance would mingle with the perfume of the flowers," he writes. "Larigue was a womanly woman invited but never liked because he didn't make portraits unless it amused him."

"Mademoiselle X asks me to do her portrait and I'm obliged to do it," he writes. "I'm sorry enough for my own sake to remember her name," he writes in "L'Oeil de la Mémoire," is thirly from the years 1932-1983 just published in Paris. "I was invited to do a portrait of a friend of mine, a woman, and I was invited to do the official photograph of President Valéry Giscard d'Estaing, he refused because the idea didn't make sense. Then he was persuaded to go see me."

[illegible]

Two "Photographs in Relief": Above, Lartigue's friend Sala, who died in 1929. His brother Zissov posed as a phantom, at right.

too sensitive, and I liked being alone but I was not alone because there were always people around. I don't think I've changed all that much since I was little."

When he was little, he says, he would cry in front of the windows of toy stores—not from envy but because the profession was too gross and he suspected it was about to die. Because the only way to keep alive his sense of wonder is to be selective, his friends have on occasion thought him superficial and indifferent, while perhaps he was simply wise. In his journal, noting the quasi history of the phony war period in 1940, he writes, "I stand in the middle of the street and think, 'Be alive instead of killing it in advance like everyone else.'"

FOR him, Lartigue says, the calamity of calamities would be to become blasé. He sees a world in a grain of sand and also sees the grain of sand for what it is; he is an intimist. Describing in his diary a trip to Yosemite with Ansel Adams, photographer of mighty landscapes, he speaks of Adams's huge vision and his own excitement over a blade of grass: "The two of us are like an ant on whose head a volcano has landed."

The Larigues' house is snug and fragrant, with a garden just a bit brighter and brighter than the one in the city. Florette is so fond of it that it is just a bit richer in color because it was painted in the old fashioned way and their room light table, where Florette and Larigue sit, is a beautiful piece of wood.

Florette, Larigue's third wife, has a round and observing face – "like a shiny apple" – and a strong, healthy body. Her dark hair is like a nest bristling and her fingers are elegant and strong. She is a woman of the world, a woman with the hands of wood. Larigue wrote in his diary in 1942, "Florette is a woman of the world." (1942. She was 20, he was 48).

Their day starts with a hearty breakfast of bread and butter, and Florette always welcomes Larigue. Larigue does take a siesta but before, not after, lunch because "after leaves" him more tired. Florette is a woman of the world but never nervous, it and Florette types it up. His diary, photography and painting are his work. Florette is a woman of the world and photography only assumed its public importance when, after the war, Larigue was asked to write a book about the war. Something couldn't be done with his snipe.

[illegible]

Saturday Night Fever, Cheek to Chic In a Chinese Disco

by Kate Singleton

GUILLIN, China — I'm not a habitué of discos. I don't suppose Xing Lide was either, to judge by the way he danced. But his invitation was irresistible. You don't often get an chance to see a Chinese dance like this. Guillin, in southern Guangxi province.

Actually I almost didn't get the opportunity myself. Xing Lide had warned me that a foreigner might be viewed with suspicion. He said I should go to the Guangxi Teachers' University. The first guard to stop me didn't seem convinced, but I referred me on to the comrades manning the entrance. I wouldn't like their modest dance hall, they said. I'd be better off at the hotel. I'd better entertainment for honored guests. I insisted, added persuasive touches to my story, and other people were called in for their opinions. After five minutes I was told to wait. I was ushered in and escorted to look out for my wallet and passport.

[illegible]

day Guilin attire. Saturday night dress clearly expressed the last word in local fashion: track suits, jeans, sports jackets, hand-knitted sweaters, and, for the ladies, a little dance floor, but more practical: there's no dancing south of the Yangtze River and winter evenings are far from warm, a variety of suggestions for tennis shoes. Besides a certain amount of jewelry, a touch of make-up here and there and the odd waft of cologne. Outstanding for his panache was a young man in a white shirt, a tie, a certain amount of shirt and a pale jacket over dark pants.

Now Guilin is a far cry from a metropolitan like like Shanghai. Yet, small and sleepy though it is, it is with its 100,000 people, a place where the tastes of its foreigners because it is the mecca of Chinese tourism. Its unique attraction is the landscape: those starkly upward jutting rock towers, those river banks with their more fisherman than tourist, those boats—you've seen it in traditional Chinese paintings.

ULIN will probably change considerably over the next few years. New hotels are going up under joint venture agreements, and the industry is regularly taken over by specialized Hong Kong-based management firms who will pilot them through the red tape and bureaucracy itself you still see much that is very poor, patched and basic. But the seeds of change have begun to take root. The slick image of the local stores, for instance, reveals an abundance of "Graceful Hairstyling Styles" and "Glamorous Hair Colors" for the 20-year-old bank clerk's monthly wage) to say nothing of the make-up kits at 9.45 yuan. There have begun to be more things to buy, hard to imagine who the purchasers are. But a glance at the wavy hairdos (male and female) and the make-up kits (only for female) at the disco explains everything.

After a couple of hours on the dance floor I felt I could do with a drink that wasn't water. I was told that the disco had a search of refreshment Xing told me that

discos and dance halls had been going in Gullin for about a year and a half, but the threat of excessive Westernization kept the authorities on the alert. Only four months ago, he said, a similar sort of establishment to the one we'd just left became the target of a police raid and was abruptly closed. Apparently the lady comrades of Gullin, convinced that the place was a den of iniquity, persuaded the press to step in. With creative flair one journalist wrote that things had gone so far toward perdition that the police had to be called in to save the place from the dance floor. This surely means that things were even worse in Gullin than in the West, for whereas Western youth would dress from the outside inward, our Chinese youth would clearly undress from the inside outward.

What King had called "a music house with drinking" turned out to be a sort of latter-day *café chantant* on the first floor of a Jewish building at one end of the main street. In one corner was the band: two electric guitars, drums, a trumpet. The three singers sounded and looked good. The punchiest had zippers all over his trousers and an Elvis hairstyle. The decor also had a certain atmosphere: more sophisticated lighting, a number of small tables covered with empty bottles. There were about 70 people there, including a table of Japanese.

Compared with everyday attire, disco dress expressed the last word in local fashions: tracksuits, jeans, jogging and tennis shoes, a certain amount of jewelry, a touch of make-up the odd waft of cologne.

and one of Hong Kong Chinese. The others Xing Lide assured me, were more or less local. Locals with money in their pockets.

The visual evidence that a portion of the Guilin population (albeit small) could afford to drink in a place like this began to make sense of other goods I'd seen in the stores: the Kawasaki GTO-110-II at 4,598 yuan (about \$1,500); the washing machine and spin dryer at 399 yuan; the black and white TV at 420 yuan and the color set at 1,700; the fridge and freezer at 860 yuan; the omnipresent Sanyo cassette player and radio at 997.

As Xing pointed out, whereas young office workers will be paid in the region of 80 yuan a month, farmers who back agricultural know-how with business acumen may make in excess of 2,000 a month. Rents are low and food is inexpensive for both. The Guizhou success story par excellence concerns the three Gan brothers who five years ago set up a small factory producing what Xing called a "special perfume." You know, some Chinese people have a bad smell, called *gan* in Chinese. This special perfume is the bad smell from the armpits. It is called *Jingniuthua*, or Golden Osmanthus." Well, *Jingniuthua* has been so successful that last year the Gan brothers donated 300,000 yuan to a local primary school.

As we sat drinking beer a young couple joined us and struck up a conversation. The girl was a bit too casual-chic to be local. In fact she told us that she was studying at the Beijing School of Tourism, and was in Guilin to spend a few days with her boyfriend, a tourist guide. As a profession, being a guide has its perks: The young man chain-smoked Dunhills and handed them around with ostentatious generosity, and on his wrists he wore two watches, one traditional and the other digital. Status symbols.

When we left the café Xing Lide, who didn't seem in the least envious, commented that either these were gifts from foreign tourists or the young man had "a window open to the south wind." I didn't grasp this last point. A relation in Hong Kong, Xing explained.

Kate Singleton is a journalist who writes frequently on cultural affairs.

Classical Records: A European Affair

by John Rockwell

NEW YORK—Sales of classical LPs, CDs and cassettes are booming these days, boosted by the popular acceptance of the compact disc.

But while the United States counts as the leading classical-music market in the world, worldwide total sales are not as impressive as the bulk of the sales are flowing to non-American record companies.

The old days are long gone, when U.S. recording giants RCA and Columbia dominated classical sales, signing the great composers, stars, orchestras and soloists to exclusive contracts. Today, Europeans control the classical business, just as the Japanese manufacture the majority of the players on which those records are heard. American lovers of classical music have been left behind, and their tastes have been catered to from abroad like victims of cultural imperialism.

The implications of this state of affairs are potentially vast. When a Leonard Bernstein or a James Levine has to fly to Vienna or to London, or a Lynn Harrell has to travel to Vienna or to Berlin, or a John Neschling has to fly to London or Paris, or when Shirley Verrett or Susan Tetser must record in Milan or Rome or Berlin rather than in New York, something vital is being sapped from U.S. life. Because when these people are there, they're there.

LIBRARY

[illegible]

Various more or less lurid, more or less plausible explanations have been offered for this development: the latent philistinism of the American character, unrestrained since the market for pop music swamped the record industry 15 years ago; the economic boom in Europe and that continent's inherent cultural superiority; the departure of a few key figures from the U.S. record industry who had taken their highest end in the 1940s, '50s and '60s; the new racism


tance of classical reissues, making new recordings less important; even the application of an inappropriate set of accounting procedures to determine a classical label's profitability.

There are those who contend that the European domination of classical recording is both harmless and inevitable, reflecting the internationalization of the record business. Others see that business in transition, with aggressive smaller American companies beginning to take up the slack left by the majors. Still other observers feel the U.S. majors are making a comeback, and that the ways they are differentiating themselves from the European companies point to a revitalization of classical music itself.

WHATEVER the conclusions, there can be no question that the domination is real. The Recording Industry Association of America offers no statistics broken down by musical genre, so market shares have to be extrapolated from the claims of individual companies. But it would seem that Polygram Classics, a conglomerate English Decca (London is its U.S. label), Philips (the Netherlands) and Deutsche Grammophon (West Germany), with their many subsidiary labels and special imports, makes up roughly half of all U.S. classical sales. The British-owned Capitol-EMI, marketed in the United States mostly as Angel, accounts for another few percentage points, so that by adding smaller labels and imports, the total European share of the U.S. market must be well over 60 percent.

Of course, there is also Decca, head of CBS Masterworks, even though the label's share of the U.S. market currently

Leonard Bernstein.



Pinchas Zukerman.

Continued on page 11

TRAVEL

A Taste for Claws



by Mark J. Kurlansky

VACA KEY, Florida — "I'm a west and potatoes man," Tom Coppedge said as he guided his 43-foot fishing boat by radar through the dark at 4:30 A.M. on the Gulf of Mexico, some 40 miles west of Key West.

"I'd have to be stupid to pay \$12 a pound for crab," quipped the lean and weathered fisherman. But many people do pay it, making stone crab the most lucrative catch in Florida. Coppedge averages \$4 a pound, hauling heavy traps from the ocean floor, sometimes for more than 12 hours a day.

During crab season, from fall to spring, stone crabs are the leading seafood specialty of Florida. They are now marketed almost everywhere in the U.S. East Coast and as far away as Japan. Yet the entire market was developed almost single-handedly by one Miami Beach restaurateur.

The restaurant is called Joe's Stone Crab and it is so identified with this crustacean that it is only open during the seven-month crab season. Most of this time, for lunch and dinner, a long line of waiting customers wraps around the restaurant.

In 1913, when Joe Weiss, a Hungarian

immigrant, came from New York and founded Miami Beach's first restaurant, nobody was eating stone crabs.

"For years these things had been like a carpet on the bottom of the bay," recalled Joe's son Jesse, 79. According to Jesse, a Japanese ichthyologist suggested to Joe that he serve the crabs. Weiss cooked some to try, but was not impressed. Then they were served chilled, usually with a mustard-mayonnaise sauce.

They are not a carpet on the bay anymore. Florida fishermen search hard for them, using electronic devices to locate likely troughs on the ocean floor. Then they set plastic traps baited with mackerel heads.

Coppedge, known on the Keys as one of the best crabbers around, said he has to bring in 300 pounds to break even for a day. So he goes out long days with a two-man crew, hauling up as many as 600 traps from the brilliant blue-green waters.

Faced with growing demand, the Florida state government is trying to maintain the crab population by making it illegal to bring a stone crab to shore. Except for their giant claws, they are rather meek. Fishermen break the claws off and throw the crab back



Crabbers breaking off the claws and, right, a stone-crab eating contest.

into the ocean where it grows new claws.

The claws must be broken off with just the right snapping motion. If they are not broken cleanly water will enter the body and kill the animal.

The claws are brought to shore, boiled for eight minutes and quickly chilled. Crabbers like to work for the fishermen owned by Iva Savitz. Jesse Weiss's son-in-law, because he has made marketing stone crabs a lucrative sideline at Joe's. To fishermen this means that even in great years when the crabs are plentiful, he has an inexhaustible market.

One of the main problems with supply is man's intrusion into nature's food chain. If Americans ate less of the popular grouper and snapper and more octopus, they could have a lot more stone crab. Grouper and

snapper eat octopus, but few people in the United States do. So, deprived of natural enemies, the octopus population is rapidly growing, and an octopus like nothing better than to sneak up behind a crab, hold the claws back with its arms, paralyze the crab with a slight poison and suck out the meat.

SINCE the natural habitat of the octopus is dark holes, they really crawl into crab traps. They eat the catch and even the bait. "We had three stone crab claws and 350 pounds of octopus," a crewman reported on a day's fishing earlier this season. In the 1983-4 season, and again last year, crabbers on the west coast of Florida were almost wiped out by octopuses.

Gilbert L. Voss, octopus expert at the University of Miami, offers one solution — "sell octopus." But most fish houses will pay only 20 cents a pound for octopus as grouper bait.

Voss loves it. So does his wife, who happens to be an expert on squid. To further promote octopus eating, Voss is writing a cookbook of octopus recipes, such as octopus in its ink, black pasta from octopus ink and octopus and red pepper.

While he has had some success in generating interest in octopus, he has had less success getting the local fishing industry to catch it. He has developed octopus traps and worked with fishermen on how to use them and instructed fisheries in how to prepare and ship octopus.

But fishermen just don't like octopus. It is the smartest of all invertebrates. It can be trained in two days to pull the cork out of a bottle. In and out of water they wander and climb everywhere. Traditional octopus fishermen kill them by biting them between the eyes. Florida fishermen do not want to do that, so the octopuses turn up everywhere. An octopus can wriggle through a hole smaller than its eyeball.

"I tried them once," said Tom Coppedge of octopus fishing. "I got 20 cents a pound and the damn things wouldn't stay in the bucket."

Mark J. Kurlansky is a journalist based in Miami.

Back to the Future: London Airship Turns Out to Be a Going Concern

by Daniela Iacono



LONDON — There's a blimp in London's skies these days, carrying paying passengers for the first time since the great airships of the 1930s. The six-seater sails over the British capital four times a day, hovering 1,000 feet (300 meters) over such London sights as St. Paul's Cathedral, and Tower Bridge.

Passengers pay £100 (\$150) for the 90-minute sightseeing tour — the first time since the Graf Zeppelin's last flight in 1937. The service, which ends on June 15, is fully booked. Standby seats are occasionally available at the Royal Air Force's Cardington base north of London, the blimp's home. More than 2,000 people

have put their names on a waiting list and Airship Industries, which operates the Skyship, says it will sell the tour again.

At the London service as a way to get the public to accept airships as a safe form of transport again. "There is a large ignorance about airships," said Martin Hall, Airship Industries' administrator. Between the wars, huge airships, fitted out like luxury hotels, carried passengers across continents in an airborne comfort and style that has since been abandoned. The most spectacular accident happened on May 6, 1937, when the Hindenburg's hydrogen-filled gas bag burst into flames while arriving at Lakehurst, New Jersey, on a flight from Germany, killing 36 people.

"Comparing the old ships to the modern ones is like comparing an old biplane to the Concorde," said Aigis Williams, public relations officer for AE. The Concord is that too-flammable helium

has replaced highly volatile hydrogen as the lighter-than-air gas. Airship Industries has plans for a much larger airship, perhaps up to 600 feet long, to undertake an intercity service between London and Paris in the next three to five years. If successful, they may include a London-Amsterdam run. The company says that although blimps fly slower than commercial aircraft, they are quieter and need less space to land. Terminals could be closer to city centers.

The blimp would carry some 200 passengers "in executive class comfort with first-class catering," Williams said. The ride would take about two and a half hours and prices would be competitive with those of commercial airlines.

Daniela Iacono is on the staff of United Press International in London.

INTERNATIONAL DATEBOOK

AUSTRIA	
VIENNA, Theater an der Wien, (tel. 54.3.20).	May 15: "La Finta Giardiniera" (Mozart) Opera.
May 17, 19: "La Finta Giardiniera" (Mozart) Opera.	May 22-27: "The Death of a Fascist" (Michael Hastings).
May 22-27: "The Death of a Fascist" (Michael Hastings).	May 28-31: "The Death of a Fascist" (Michael Hastings).
May 28-31: "The Death of a Fascist" (Michael Hastings).	May 31: "The Death of a Fascist" (Michael Hastings).
BELGIUM	
BRUSSELS, Palais des Beaux-Arts, (tel. 512.40.45).	May 15: "The Death of a Fascist" (Michael Hastings).
May 15: "The Death of a Fascist" (Michael Hastings).	May 22-27: "The Death of a Fascist" (Michael Hastings).
May 22-27: "The Death of a Fascist" (Michael Hastings).	May 28-31: "The Death of a Fascist" (Michael Hastings).
May 28-31: "The Death of a Fascist" (Michael Hastings).	May 31: "The Death of a Fascist" (Michael Hastings).
ENGLAND	
LONDON, Barbican Centre (tel. 638.41.01).	May 15: "The Death of a Fascist" (Michael Hastings).
May 15: "The Death of a Fascist" (Michael Hastings).	May 22-27: "The Death of a Fascist" (Michael Hastings).
May 22-27: "The Death of a Fascist" (Michael Hastings).	May 28-31: "The Death of a Fascist" (Michael Hastings).
May 28-31: "The Death of a Fascist" (Michael Hastings).	May 31: "The Death of a Fascist" (Michael Hastings).
FRANCE	
LYON, Opera (tel. 78.28.09.69).	May 15: "The Death of a Fascist" (Michael Hastings).
May 15: "The Death of a Fascist" (Michael Hastings).	May 22-27: "The Death of a Fascist" (Michael Hastings).
May 22-27: "The Death of a Fascist" (Michael Hastings).	May 28-31: "The Death of a Fascist" (Michael Hastings).
May 28-31: "The Death of a Fascist" (Michael Hastings).	May 31: "The Death of a Fascist" (Michael Hastings).
GERMANY	
BONN, Rheinisches Landesmuseum, (tel. 63.3.35).	May 15: "The Death of a Fascist" (Michael Hastings).
May 15: "The Death of a Fascist" (Michael Hastings).	May 22-27: "The Death of a Fascist" (Michael Hastings).
May 22-27: "The Death of a Fascist" (Michael Hastings).	May 28-31: "The Death of a Fascist" (Michael Hastings).
May 28-31: "The Death of a Fascist" (Michael Hastings).	May 31: "The Death of a Fascist" (Michael Hastings).
ITALY	
FLORENCE, Bargello (tel. 21.08.01).	May 15: "The Death of a Fascist" (Michael Hastings).
May 15: "The Death of a Fascist" (Michael Hastings).	May 22-27: "The Death of a Fascist" (Michael Hastings).
May 22-27: "The Death of a Fascist" (Michael Hastings).	May 28-31: "The Death of a Fascist" (Michael Hastings).
May 28-31: "The Death of a Fascist" (Michael Hastings).	May 31: "The Death of a Fascist" (Michael Hastings).
NETHERLANDS	
AMSTERDAM, Rijksmuseum, (tel. 63.21.01).	May 15: "The Death of a Fascist" (Michael Hastings).
May 15: "The Death of a Fascist" (Michael Hastings).	May 22-27: "The Death of a Fascist" (Michael Hastings).
May 22-27: "The Death of a Fascist" (Michael Hastings).	May 28-31: "The Death of a Fascist" (Michael Hastings).
May 28-31: "The Death of a Fascist" (Michael Hastings).	May 31: "The Death of a Fascist" (Michael Hastings).
SCOTLAND	
EDINBURGH, National Gallery, (tel. 556.30.21).	May 15: "The Death of a Fascist" (Michael Hastings).
May 15: "The Death of a Fascist" (Michael Hastings).	May 22-27: "The Death of a Fascist" (Michael Hastings).
May 22-27: "The Death of a Fascist" (Michael Hastings).	May 28-31: "The Death of a Fascist" (Michael Hastings).
May 28-31: "The Death of a Fascist" (Michael Hastings).	May 31: "The Death of a Fascist" (Michael Hastings).
SPAIN	
BARCELONA, Centro Cultural de la Fundacion Bosch, (tel. 556.30.21).	May 15: "The Death of a Fascist" (Michael Hastings).
May 15: "The Death of a Fascist" (Michael Hastings).	May 22-27: "The Death of a Fascist" (Michael Hastings).
May 22-27: "The Death of a Fascist" (Michael Hastings).	May 28-31: "The Death of a Fascist" (Michael Hastings).
May 28-31: "The Death of a Fascist" (Michael Hastings).	May 31: "The Death of a Fascist" (Michael Hastings).
UNITED STATES	
NEW YORK, Cooper-Hewitt Museum, (tel. 860.6688).	May 15: "The Death of a Fascist" (Michael Hastings).
May 15: "The Death of a Fascist" (Michael Hastings).	May 22-27: "The Death of a Fascist" (Michael Hastings).
May 22-27: "The Death of a Fascist" (Michael Hastings).	May 28-31: "The Death of a Fascist" (Michael Hastings).
May 28-31: "The Death of a Fascist" (Michael Hastings).	May 31: "The Death of a Fascist" (Michael Hastings).
WEEKEND	
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Thursday's NYSE Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trading elsewhere.

12 Month High Low Stock Div. Yld. PE 52-Week High Low Stock Div. Yld. PE

(Continued)

12 Month High	12 Month Low	Stock	Div.	Yld.	PE	52-Week High	52-Week Low	Stock	Div.	Yld.	PE
11 1/2	11 1/2	IBM	3.00	2.8	15.0	11 1/2	11 1/2	IBM	3.00	2.8	15.0
11 1/2	11 1/2	IBM	3.00	2.8	15.0	11 1/2	11 1/2	IBM	3.00	2.8	15.0
11 1/2	11 1/2	IBM	3.00	2.8	15.0	11 1/2	11 1/2	IBM	3.00	2.8	15.0
11 1/2	11 1/2	IBM	3.00	2.8	15.0	11 1/2	11 1/2	IBM	3.00	2.8	15.0
11 1/2	11 1/2	IBM	3.00	2.8	15.0	11 1/2	11 1/2	IBM	3.00	2.8	15.0

12 Month High	12 Month Low	Stock	Div.	Yld.	PE	52-Week High	52-Week Low	Stock	Div.	Yld.	PE
11 1/2	11 1/2	IBM	3.00	2.8	15.0	11 1/2	11 1/2	IBM	3.00	2.8	15.0
11 1/2	11 1/2	IBM	3.00	2.8	15.0	11 1/2	11 1/2	IBM	3.00	2.8	15.0
11 1/2	11 1/2	IBM	3.00	2.8	15.0	11 1/2	11 1/2	IBM	3.00	2.8	15.0
11 1/2	11 1/2	IBM	3.00	2.8	15.0	11 1/2	11 1/2	IBM	3.00	2.8	15.0
11 1/2	11 1/2	IBM	3.00	2.8	15.0	11 1/2	11 1/2	IBM	3.00	2.8	15.0

12 Month High	12 Month Low	Stock	Div.	Yld.	PE	52-Week High	52-Week Low	Stock	Div.	Yld.	PE
11 1/2	11 1/2	IBM	3.00	2.8	15.0	11 1/2	11 1/2	IBM	3.00	2.8	15.0
11 1/2	11 1/2	IBM	3.00	2.8	15.0	11 1/2	11 1/2	IBM	3.00	2.8	15.0
11 1/2	11 1/2	IBM	3.00	2.8	15.0	11 1/2	11 1/2	IBM	3.00	2.8	15.0
11 1/2	11 1/2	IBM	3.00	2.8	15.0	11 1/2	11 1/2	IBM	3.00	2.8	15.0
11 1/2	11 1/2	IBM	3.00	2.8	15.0	11 1/2	11 1/2	IBM	3.00	2.8	15.0

12 Month High	12 Month Low	Stock	Div.	Yld.	PE	52-Week High	52-Week Low	Stock	Div.	Yld.	PE
11 1/2	11 1/2	IBM	3.00	2.8	15.0	11 1/2	11 1/2	IBM	3.00	2.8	15.0
11 1/2	11 1/2	IBM	3.00	2.8	15.0	11 1/2	11 1/2	IBM	3.00	2.8	15.0
11 1/2	11 1/2	IBM	3.00	2.8	15.0	11 1/2	11 1/2	IBM	3.00	2.8	15.0
11 1/2	11 1/2	IBM	3.00	2.8	15.0	11 1/2	11 1/2	IBM	3.00	2.8	15.0
11 1/2	11 1/2	IBM	3.00	2.8	15.0	11 1/2	11 1/2	IBM	3.00	2.8	15.0

12 Month High	12 Month Low	Stock	Div.	Yld.	PE	52-Week High	52-Week Low	Stock	Div.	Yld.	PE
11 1/2	11 1/2	IBM	3.00	2.8	15.0	11 1/2	11 1/2	IBM	3.00	2.8	15.0
11 1/2	11 1/2	IBM	3.00	2.8	15.0	11 1/2	11 1/2	IBM	3.00	2.8	15.0
11 1/2	11 1/2	IBM	3.00	2.8	15.0	11 1/2	11 1/2	IBM	3.00	2.8	15.0
11 1/2	11 1/2	IBM	3.00	2.8	15.0	11 1/2	11 1/2	IBM	3.00	2.8	15.0
11 1/2	11 1/2	IBM	3.00	2.8	15.0	11 1/2	11 1/2	IBM	3.00	2.8	15.0

12 Month High	12 Month Low	Stock	Div.	Yld.	PE	52-Week High	52-Week Low	Stock	Div.	Yld.	PE
11 1/2	11 1/2	IBM	3.00	2.8	15.0	11 1/2	11 1/2	IBM	3.00	2.8	15.0
11 1/2	11 1/2	IBM	3.00	2.8	15.0	11 1/2	11 1/2	IBM	3.00	2.8	15.0
11 1/2	11 1/2	IBM	3.00	2.8	15.0	11 1/2	11 1/2	IBM	3.00	2.8	15.0
11 1/2	11 1/2	IBM	3.00	2.8	15.0	11 1/2	11 1/2	IBM	3.00	2.8	15.0
11 1/2	11 1/2	IBM	3.00	2.8	15.0	11 1/2	11 1/2	IBM	3.00	2.8	15.0

SCETA, a subsidiary of the French national railway corporation, S.N.C.F.,

has granted to

AVIS LOCATION DE VOITURES S.A.

the right to operate its "Train + Auto" service
(car rental in railway stations)

The undersigned acted as financial advisors to Sceta and S.N.C.F.

Banque Monod

Compagnie Financière
de Suez

Paris, April 1986

Pargesa Holding SA GENEVA

Notice is hereby given to shareholders of an
Ordinary Shareholders' Meeting
to be held on Thursday, May 22, 1986, at 11.30 A.M.
at the Head Office of
BANQUE PARIBAS (SUISSE) S.A.
2 Place de Hollande, Geneva (Switzerland)

AGENDA :

1. Report of the Board of Directors, presentation of the Financial Statements for the fiscal year ended December 31, 1985, and Auditor's Report.
2. Discussion, approval of said Reports, and proposals to allocate the net profit.
3. Release and discharge of the Board of Directors.
4. Appointment of the Auditor.
5. Increases of capital.
 - a) Resolution to increase the capital from SF 891,000,000 to SF 1,039,500,000 by issue of 135,000 new registered shares of SF 100 each and by issue of 135,000 new bearer shares of SF 1,000 each, reserved to the present shareholders, in the proportion of one new share for each six shares held.
 - b) Confirmation of the subscription to the shares and payment in full to the Company of the proceeds of the capital increase.
 - c) Resolution to increase the capital from SF 1,039,500,000 to SF 1,149,500,000 by issue of 100,000 new registered shares of SF 100 each reserved to the owners of registered shares, in the proportion of one new share for each 9.45 shares held and of 100,000 new bearer shares of SF 1,000 each. These new bearer shares are to guarantee the exercise of warrants issued by PARGESA HOLDING S.A. and a subsidiary, in connection with the issue of bonds (debenture loans), the shareholders renouncing for these new bearer shares to their preferential subscription rights.
 - d) Confirmation of the subscription to the shares and payment in full to the Company of the proceeds of the capital increase.
6. Amendment of article 5 of the statutes.

Shareholders may obtain entry cards to the Shareholders' Meeting at the BANQUE PARIBAS (SUISSE) S.A., UNION DE BANQUES SUISSES, SOCIETE DE BANQUE SUISSE and CREDIT SUISSE, from May 12 until 12 noon on May 21, 1986, depositing their shares or a receipt for such deposit with another bank.

The Annual Report, including the income statement, the balance sheet, the Auditor's Report, the proposals by the Board of Directors regarding the allocation of the fiscal year's net profit as well as the proposed amendments to the statutes, are available to the shareholders from May 12, 1986, at the Head Office and the subsidiaries of the aforementioned banks.

Geneva, May 6, 1986

For the Board of Directors

A. de Pfyffer
Chairman

S. Tapemoux
Secretary

de Pfyffer

Floating-Rate Notes

May 15	Interest Rate	Coupon Rate	Bid	Ask
11 1/2	11 1/2	11 1/2	11 1/2	11 1/2
11 1/2	11 1/2	11 1/2	11 1/2	11 1/2
11 1/2	11 1/2	11 1/2	11 1/2	11 1/2
11 1/2	11 1/2	11 1/2	11 1/2	11 1/2
11 1/2	11 1/2	11 1/2	11 1/2	11 1/2

COLUMBIA SECURITIES N.V. Amsterdam

Shareholders are invited to attend the Annual General Meeting to be held on Thursday, 29th May 1986 at 10.30 hours at the head office of the Algemene Bank Nederland N.V., Vijzelstraat 32, Amsterdam.

AGENDA

1. Opening
2. Report of the Management for the financial year 1985 and report of the Supervisory Board.
3. Adoption of the Annual Accounts for the financial year 1985.
4. Determination of the dividend 1985.
5. Appointment of a new member of the Supervisory Board.
6. Proposal to alter the Articles of Association
7. Any other business.

The respective documents are available at the office of the Company, Noordstraat 8, Amsterdam.

Holders of bearer shares wishing to attend the General Meeting must deposit their shares at the latest on Friday 23rd May with the Algemene Bank Nederland N.V. or with Banque de Neufilz, Schumacher, Meier, Paris. A deposit certificate will be issued to such shareholders, which, upon surrender, will entitle them to attend the meeting and cast their votes.

Holders of shares registered with the Company in its shareholder's register must inform the Managing Director in writing at least four days prior to the meeting that they wish to attend the meeting in person or by proxy.

Amsterdam, 14th May, 1986.

ABN-de Neufilz International
Investment Advisory Company B.V.
(Managing director)

OECD Says Borrowing Rose Sharply in April

PARIS — Medium- and long-term borrowing on international capital markets rose sharply to an aggregate \$31.3 billion in April, \$3 billion above the March level and \$10.2 billion more than in April 1985. The Organization for Economic Cooperation and Development said Thursday.

Borrowing on external bond markets soared to \$26.1 billion last month, up \$6.5 billion from the previous record set in March.

But fund-raising on international credit markets, including syndicated bank loans and bank facilities, fell to \$5.2 billion in April from \$9.7 billion in March.

OECD member countries accounted for the vast majority of activity on international capital markets last month. Their share of the borrowing rose to \$30.1 billion from \$24.5 billion in March.

Pounds Sterling

Interest Rate	Coupon Rate	Bid	Ask
11 1/2	11 1/2	11 1/2	11 1/2
11 1/2	11 1/2	11 1/2	11 1/2
11 1/2	11 1/2	11 1/2	11 1/2
11 1/2	11 1/2	11 1/2	11 1/2
11 1/2	11 1/2	11 1/2	11 1/2

E.C.U.

Interest Rate	Coupon Rate	Bid	Ask
11 1/2	11 1/2	11 1/2	11 1/2
11 1/2	11 1/2	11 1/2	11 1/2
11 1/2	11 1/2	11 1/2	11 1/2
11 1/2	11 1/2	11 1/2	11 1/2
11 1/2	11 1/2	11 1/2	11 1/2

Deutsche Marks

Interest Rate	Coupon Rate	Bid	Ask
11 1/2	11 1/2	11 1/2	11 1/2
11 1/2	11 1/2	11 1/2	11 1/2
11 1/2	11 1/2	11 1/2	11 1/2
11 1/2	11 1/2	11 1/2	11 1/2
11 1/2	11 1/2	11 1/2	11 1/2

Japanese Yen

Interest Rate	Coupon Rate	Bid	Ask
11 1/2	11 1/2	11 1/2	11 1/2
11 1/2	11 1/2	11 1/2	11 1/2
11 1/2	11 1/2	11 1/2	11 1/2
11 1/2	11 1/2	11 1/2	11 1/2
11 1/2	11 1/2	11 1/2	11 1/2

Source: Credit Suisse-First Boston Ltd., London

LEVINE: Rapid Rise and Contradictory Life of Insider-Trading Suspect

signed from first finance page) recently bought an \$80,000 car. And of late, friends say, he takes to talking about how much money he had been earning. Indeed, where he was a manager in the merger-and-acquisition department until the SEC was made, insiders put his compensation last year at well \$1 million.

He wanted desperately to be a "big shot," said a takeover lawyer who worked closely with Mr. Levine.

Just the SEC charges, in short, Mr. Levine used his position as a merger specialist — at th Barney between June 1978 and November 1981, at Lehman Bros from November 1981 to

late January 1985, and at Drexel from February 1985 to the present — to trade in stocks and options of dozens of companies he knew were about to be bought. All told, the SEC charges, Mr. Levine parlayed a \$170,000 initial deposit in his Bahamian bank into \$10.3 million, virtually all of which is profits derived from securities trading activities.

In early 1985, for instance, Drexel was retained by Coastal Corp., a big Houston-based pipeline company, to help with a possible takeover of American Natural Resources Co., another pipeline concern. Working with nonpublic information concerning the proposed tender offer, the government charged, Mr. Levine quietly purchased 145,000 shares of American Natural Resources and later earned

\$1.4 million in profits after a bid was announced and American Natural Resources stock soared.

The SEC charged Mr. Levine with insider trading in the securities of 54 companies.

The SEC court documents filed so far charge that Mr. Levine worked as hard concealing his activities — and in particular, covering his trail — as he did buying the stocks themselves.

Mr. Levine is said to have rented his orders, for instance, through his Bahamian bank, which maintained trading accounts with numerous New York-based brokerage firms. Bernard Meier, a Swiss national who until recently was Mr. Levine's account officer at the Bahamian bank, was also charged by the commission with insider trading.

Bank Leu International Ltd. of Nassau, a subsidiary of a Swiss bank, has confirmed that it was the institution referred to in the SEC documents.

The commission charged that Mr. Levine opened his account at the Bahamian bank on May 27, 1980, using the name "Mr. Diamond." According to the SEC's court documents, he then began placing buy and sell orders from Manhattan pay telephones, frequently calling collect during lunch hours and refusing to leave telephone numbers where he could be reached.

According to the commission, Mr. Levine never used his real name with bank staff, used phony names to look flights to the Bahamas when he wanted to review his account and whenever possible did not stay overnight in the Bahamas.

In July 1985 the SEC's investigation began, it said, "as the result of the pattern of purchases" that took place before takeover announcements. In August 1985, SEC staff members telephoned Mr. Meier, Mr. Levine's account associate at the bank, requesting information. It was at that point, the commission charged, that Mr. Levine and Mr. Meier began plotting a cover-up of Mr. Levine's trading.

The cover-up, according to the SEC, consisted of Mr. Meier's informing the commission that all the trades were Mr. Meier's decision.

In other words, the commission charged, the men wanted to make it appear that Mr. Levine had no control over his own account and that the trades were made based on publicly available data, not insider information.

Swiss Bank Cooperated With SEC

By Nathaniel C. Nash

New York Times Service

WASHINGTON — One of the most prestigious banks in the world helped provide the Securities Exchange Commission with information to trace what the SEC says is an insider-trading scheme by Dennis R. Levine.

However, a document filed in federal District Court in Manhattan disclosed that lawyers for the bank's Bahamian subsidiary agreed to the SEC that Mr. Levine was the principal in the

case fully with the SEC after it had received a subpoena in March for records involving trading at its bank in the Bahamas in 28 stocks that subsequently became merger or takeover candidates.

But the complaint filed in the Manhattan court indicated that the bank's cooperation may have gone further back than that. In the complaint, Thomas P. Doonan, deputy United States marshal and an investigator in the U.S. Attorney's Office in Manhattan, said that an SEC lawyer showed the bank in August 1985 to request its help.

Mr. Doonan said a bank employee told the SEC lawyer, Peter Y. Sonnenfeld, that he had had deal-

ings with a "client referred to as Mr. X." Mr. Doonan said he had learned from Mr. Sonnenfeld that lawyers for the bank identified Mr. Levine as "Mr. X."

The action by the Swiss bank is one of the few instances where bank secrecy laws, for which Switzerland and the Bahamas are noted, have been pre-empted in favor of cooperation with U.S. authorities.

Theodore A. Levine, a Washington lawyer and former enforcement official at the SEC, said: "The most important part of this case is not its size, nor the publicity. It's the message that even if you go overseas to cover up your trading, the SEC can find you there."

Pohl Sees Need For Stability Of Currencies

Reuter

FRANKFURT — Karl Otto Pohl, West Germany's central bank president, said Thursday that a period of currency market stability was urgently needed and coordinated intervention could be useful.

Mr. Pohl told bankers in Hamburg that convergence of economic policies among major industrial nations could help to prevent wild swings in currency relationships.

"But coordinated intervention by central banks can also sometimes be useful to work against too strong a decline in the dollar," he said.

He rejected calls for setting specific levels for currencies that would then be defended.

U.S. Money Supply Rose \$6.1 Billion in Week

Reuter

NEW YORK — The basic measure of U.S. money supply, M-1, rose \$6.1 billion to \$654.7 billion, seasonally adjusted, in the week ended May 5, the Federal Reserve reported Thursday.

M-1 includes cash in circulation, checking accounts and travelers' checks. The previous week's level was left unchanged at \$648.6 billion, while the four-week moving average rose to \$647.6 billion from \$645.4 billion.

CURRENCY MARKETS

Dollar Firms in New York, Europe

Compiled by Our Staff From Dispatches
NEW YORK — The dollar closed generally firmer Thursday in New York and Europe.

But dealers in New York said trading was listless in the absence of any clear signal from Washington as to where the Reagan administration wants the dollar to move.

"People are really confused," said one New York trader. "No one wants to take any positions for fear of central bank intervention."

In New York, the dollar closed at 2.1955 Deutsche marks, up from 2.1830 DM on Wednesday, and at 6.9940 French francs, up from 6.9605 francs.

The dollar also firmed slightly against the British pound, which closed in New York at \$1.5335, compared with \$1.5399.

London Dollar Rates

Currency	7% bid	3% ask
Deutsche mark	2.1955	2.1955
French franc	6.9940	6.9940
Swiss franc	1.8273	1.8273
British pound	1.5335	1.5335

Source: J. P. Morgan

Against the yen, the dollar closed at 163.70, almost unchanged from 163.50 previously, while the currency finished against the Swiss franc at 1.8273 up from 1.8160 francs.

The dollar ended generally higher in Europe.

Karl Otto Pohl, president of the Bundesbank, West Germany's central bank, said Thursday that a pe-

riod of currency-market stability was urgently needed and coordinated intervention to this end could be useful.

The dollar ended in London at 2.1975 Deutsche marks, up from 2.1870 DM at Wednesday's close, and at 163.60 yen, up slightly from 163.35 yen previously.

The dollar also edged higher against the British pound, which closed in London at \$1.5355, down from \$1.5395 on Wednesday.

In other European trading Thursday, the dollar closed in Zurich at 1.8213 Swiss francs, down from 1.8238 francs on Wednesday. It was fixed in Frankfurt at 2.1897 DM, down from 2.1933 DM, and in Paris, at 6.9860 francs, down from 6.9870. (Reuters, 1177)

THE EUROMARKETS

Dollar-Straights Decline on Economic Data

By Christopher Pizay

Reuter

LONDON — The dollar straight sector of the Eurobond market ended earlier Thursday on the news that U.S. industrial production rose 0.2 percent in April. In the floating-rate-note area, however, issues of sovereign and multinational names ended higher after a volatile day's trading.

Dollar-straight issues ended between 14 and 16 point lower with news of the rise in U.S. industrial production taking markets by sur-

prise, dealers said. They noted that the U.S. market began to slide shortly after the announcement.

Dealers said that trading in the floating-rate-note sector was featured by some operators switching out of the \$1.8-billion floater for the European Community and into other sovereign issues.

The activity was prompted by news that France would repay early its \$1.8-billion EC loan, which was financed by the floating-rate note. This led to speculation that the EC would now call the issue for early

redemption. The issue, due 1990, fell to 100.11 from 100.23.

A variety of new issues were launched during the day. Morgan Stanley International led a novel \$150-million put warrant bond for the Bank of Nova Scotia.

The bond itself, which pays 7% percent over five years, was priced at 100%. The issue carries 100,000 warrants priced at \$12 each, which pay a 7% percent annual interest over their three-year life. The warrants entitle the investor to put back the bonds at a price of 98%.

Plants have fed the world
and cured its ills since life began.
Now we're destroying their principal habitat
at the rate of 50 acres every minute.

We live on this planet by courtesy of the earth's green cover. Plants protect fragile soils from erosion, regulate the atmosphere, maintain water supplies for agriculture and prevent formation of deserts. Without plants man could not survive.

Yet, knowingly this, we are destroying our own life-support system at such an alarming rate that it has already become a crisis — a crisis for ourselves and an even bigger one for our children.

The figures alone should tell the story — we destroy a tropical rain forest three times the size of Switzerland every year; within 25 years only fragments of the vast Malaysian and Indonesian forests will remain.



Photo Courtesy of Richard Evans Schultes
Dr. Richard Evans Schultes, director of the Botanical Museum at Harvard University, has spent 12 years in the Amazon jungle collecting the "magic" plants of myth and legend and making them available to Western medicine and science. "The drugs of the future," he says, grow in the primeval jungle.

What we are destroying
Much of the food, medicines and materials we use every day of our lives is derived from the wild species which grow in the tropics. Yet only a tiny fraction of the world's flowering plants have been studied for possible use. Horrifyingly, some 25,000 of all flowering species are on the verge of extinction.

Once the plants go, they are gone forever. Once the forests go only wastelands remain.



Photo: Mark J. Padden
Cathartus rufus. Many of the world's children who have suffered from leishmaniasis are now alive due to the properties discovered in the very poisonous, which originated in Madagascar where 90% of the forests are already destroyed.

Who is the villain?
There is no villain — except ignorance and short-sightedness. The desperately poor people who live in the forests have to clear areas for crops and fuel, but they are doing this in such a way that they are destroying their very livelihood.

Add to this the way in which the heart is being ripped out of the forests to meet the demand for tropical timbers and we have a recipe for disaster.

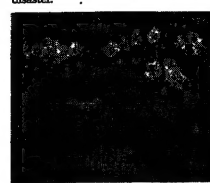
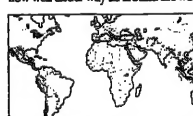


Photo: WWF/EL Juergens
Disease-resistant potatoes, obtained by cross-breeding wild potatoes from the Andes with domestic varieties, ensure that Ireland will never again experience the blight disease which wiped out its entire crop, leaving a million people to die of starvation.

What can be done about it?
The problem seems so vast that there is a tendency to shrug and say "What can I do?" But there is something that each and every one of us can do.

The WWF Plant Conservation Programme

The World Conservation Strategy, published in 1980, is a programme for conserving the world's natural resources whilst managing them for human needs. A practical, international plant conservation programme has been prepared based on WCS principles and is now well under way all around the world.



The Varadero Centres. Named after the Russian scientist who identified them. They are the regions in which our major crop plants were first domesticated. Many of these regions contain wild or semi-domesticated relatives of commercial species which can be cross-bred with crop plants to increase yield and resistance to pests and diseases.

You can become part of it

The WWF Plant Conservation Programme is a plan for survival which you can help make a reality. Join the World Wildlife Fund now. We need your voice and your financial support.

Get in touch with your local WWF office for membership details, or send your contribution direct to the World Wildlife Fund at: WWF International, Membership Secretary, World Conservation Centre, 1196 Gland, Switzerland.

Save the plants
that save us.
WWF FOR WORLD CONSERVATION

An Orchid Lover Fights 'Ecological Vandalism'

instance, one in my catalog, *Cymbidium giganteum wilsonii*, was collected around 1901 in China by E. H. Wilson. It got exhibited, planted and forgotten. It was thought to have disappeared, but was suddenly rediscovered growing in the Botanic Garden here in Edinburgh.

"As far as smuggling is concerned, the point is that with my methods these rare species can be reproduced in large quantities and widely distributed at very short notice. Their rarity value is then lost and they aren't worth stealing from nature."

Warren's conservation efforts has recently been extended to re-establishing in their natural habitats six species that were once prolific in the mountains of Brazil, but are nearly extinct because of overzealous collecting. Two of the species are already well re-established, he said.

It was in Brazil that the idea for his business suggested itself. Prompting him to give up his research on leaf pathology in Edinburgh. About 10 years ago he visited a patch of forest about 1000 miles (160 kilometers) from Rio de Janeiro. It had been acquired by a friend, David Miller, and he was there to discuss how Miller might develop the area. Warren was excited to find it abundant with orchids. "We counted 66 species. Many were growing high up in the trees, and the best way of finding them was from a high vantage point where you could pick out patches of color with the binoculars, and then track them through the forest."

Warren still visits Brazil — “a naturalist’s paradise” — as often as he can find the excuse, to collect seeds or lead study trips into the forest. Nothing compares with seeing orchids growing in the wild, he believes, and when he has enough people he leads two-week expeditions to his friend’s reserve in the coastal rain forest. Customers for his jungle adventure so far have come from the United States and Britain. It is a measure of how hooked people become on these exotic plants that the latest expedition included a woman in her 80s who had an artificial leg.

'Chess' Mores Audience But Reviews Are Mixed

"Chess," the new musical by Andrew Lloyd Webber, opens at the New York City's Minskoff Theatre tonight. Rice with music by Benny Andersson and Bjorn Ulvaeus of the rock band ABBA, opened last night in London to mixed reviews and a standing ovation. "It is a disappointing, rather shallow, over-the-top David Shannan to the rescue of its ambition and some fine songs, there are losses, too, some of them quite needless." Jack Tinker in the Daily Mail said of the long-awaited musical. Budgeted at \$10 million (\$6 million), "Chess" is the most expensive show in the history of the West End. It is a sequel to the 1978 Broadway production about the rivalry between two Soviet-American chess players, which was based on the backdrop of a world chess championship. Outside the theatre, demonstrators including three world chess grandmasters paraded on behalf of a former chess champion, Boris Gelfand, who wants to

The Royal Ballet at Sadler's Wells voted Thursday to go ahead with a 10-day tour of Israel, reversing a vote to call off the trip for fear of terrorism. "This has been a victory for common sense," said Victor Hochhauser, the tour's organizer. The decision to stay away from Israel had been sharply criticized. A pro-Israel member of Parliament, John Carlisle, called it "cowardly." The Board of Deputies of British Jews accused the company of appeasing terrorism, and the *Evening Standard* newspaper asked why the dancers were afraid to go to Israel when Prime Minister Margaret Thatcher was planning to visit the country this month.

An American has been ordered out of Canada after interrupting a Soviet official's speech at Expo 86 in Vancouver. Vasily Shamarin, Soviet minister of communications, was beginning to speak for the fair's Soviet Union Day when Tamara Elias, 20, of New York, jumped to his feet and began shouting about treatment of Soviet Jews. Later, demonstrators picketed a performance of the Kirov Ballet.

This exchange led to what at first seemed like an outburst of insolence. Arriving at the house, I found my wife and her mother-in-law.

"Your oil pressure is low and requires immediate attention. Your headlights are on. Please Fasten your seat belt. Your windshield-washer fluid is low. Your parking brake is on. A door is ajar. Your passenger-side door is ajar. Empty your gas tank. Turn off the radio. Turn off the car's garunty that after I closed the door he opened it again to see if the door was closed."

"Your oil pressure is low and requires immediate attention," the car said again.

"Please Fasten your seat belt. Your windshield-washer fluid is low. Your parking brake is on. A door is ajar. A door is ajar."

I slammed the door to silence it, but my (my wife, emerging from the car) said, "You're a halfhearted car door user!" and opened the door.

"Your oil pressure is low and requires immediate attention," said the car. "Your headlights are on. Please Fasten your seat belt. Your windshield-washer fluid is —"

The car had apparently decided during the night never to speak to be again. What's more, the radio had also taken the vow of silence, and the car refused to start. I crossed with any of the 150 rock stars with which it had blasted my brains in the past.

I returned the dealer and made an appointment for four days later. For those three days, I suffered the pain.

Bound for the shop on the fourth day, I pulled from the curb and started a familiar voice. "Please leave me alone," the car said.

I did so. "Thank you," it said.

I opened the door slightly. "A little more," the car said.

The radio gave me a stupefying blast of rock music.

We went to the shop anyway. The mechanic looked at me in that scary way. "So you haven't been eating things?" he said. "That's a witcheross."

Days passed. I left the car in the garage, recovered it three days later on a cold rainy night, got in,

procured legally. Indeed, Warren was a conservationist. Though his first business was growing and selling a plant, Co. he tries to undermine a lucrative black market in rare plants that he said he fantasized about "ecological vandalism" and "the pursuit for profit."

Warren, who has a doctorate in microbiology, says he got the phone call about a few months back from an East European plant collector who said he had managed to find a new species of one of the rarest slipper orchids. Warren said the collector had raised suspicion by asking him to come to the place where he started making inquiries about the natural habitat of this species following news in the Orchid Review that the orchid was under cultivation for only the second time in 90 years. Employees at botanical gardens in the Netherlands alerted to the collector's activities. Nevertheless, he managed to determine from many scraps of information that the orchid was known remaining wild habitat was in the jungles of Borneo, and he organized an expedition to track it down.

Several weeks later he and his

plants by Mr. X for \$2,000" said Warren. "But they declined."

Smuggling, which threatens rare species with extinction in the wild, is big business, and it is widespread. At the West German Orchid Society's annual show in March, at which Equatorial Plant Co. had a stand, Warren saw "literally tons of stuff that should not be available."

Though it sounds like David and Goliath, Warren is confident that his small business can do real damage to the black market. "Making rare material available

Orchid seed is fine as dust. Its nature is to grow not in soil or compost as other seeds do, but in a symbiotic relationship with a fungus from which it draws its nourishment. In his Edinburgh laboratory, Warren has replaced the fungus with a sugar-enriched extract of seaweed. Pineapple juice and bananas are among the ingredients that get tossed into his secret recipe. "And I add something

Hybrids are the most popular orchids, but Warren takes a dim view of these, so all his are natural species, mostly from the jungles of New Guinea and South America. "New Guinea has the biggest variety of orchids in the world, and the flowers are extraordinarily colorful and long-lived, lasting anything up to six months," he said. "They are particularly popular with the Americans at the moment."

Warren's customers are private orchid lovers as well as specialist growers and botanical gardens.

Warren still visits Brazil — “a naturalist’s paradise” — as often as he can find the excuse, to collect seeds or lead study trips into the forest. Nothing compares with seeing orchids growing in the wild, he believes, and when he has enough people he leads two-week expeditions to his friend’s reserve in the coastal rain forest. Customers for his jungle adventure so far have come from the United States and Britain. It is a measure of how hooked people become on these exotic plants that the latest expedition included a woman in her 80s who had an artificial leg.

his second marriage and Kodak's first.

I had boasted about having a car I could talk to, but this demonstration that it could not discuss modern art, existentialism or the death of the novel had exposed both of us as a pair of intellectual lightweight.

As we drove away, I said, "You probably thought you owed me that little humiliation for the way I spoke to you about saying, 'Thank you, Thank you.'"

"Please fasten your seat belt," the car replied.

I did.

"Thank you," said the car. Just once. O.K., I figured, we're back to normal.

Did the car say, "By turning on your heater you have mysteriously activated your air conditioner and will require immediate attention to avoid becoming covered with frost?"

No, the car did not say that. It did become murderous. Only by opening the windows to let the freezing air out and the cold rainy air in did I frustrate its nasty little scheme.

If anything should happen to me, this note is to be turned over to the Traffic Police, Homicide Division.

New York Times Service

traveling companions were camped miserably in the monsoon rains, not knowing where to start looking in the vast, dense jungle. "They got the last piece of the jigsaw from some lepidopterists with an interest in pollination mechanisms who had seen the plants," said Warren. He said 500 of the orchids were torn from their habitat and smuggled to Europe marked "Botanical specimens — no commercial value."

"I've learnt since from my friend at the botany department at the Irvine campus of the University of California that his institution was offered one these

Though that was not its original *raison d'être*, Equatorial Plant Co. is almost perfectly tailored for the job. It specializes in the finicky business of growing orchids from seed and selling them by mail order as tiny seedlings for far less than the long-nurtured flowering plants cost.

"One of the reasons orchid-growing became a rich man's hobby is that they are extraordinarily difficult to grow from seed," Warren said. "People didn't know

like coconut milk to coax along the more difficult seeds," he said. The trick is to sow the seed on the growing medium under germ-free conditions, "because mold in the test tube will ruin everything."

Seedlings take two to three months to develop, Warren said, and he reckons he has several thousand of them, covering more than 100 species, ranged in little bottles under a battery of fluorescent lights in his labs. Warren buys seed and sells seedlings throughout the world, though the documentation required outside Europe is a bit of a barrier to trade, he said.

"Many of the species I grow are little known and poorly documented. This is particularly so with the orchids of New Guinea, where completely new species are still being discovered. I try to give as much information as I can on each orchid's habitat, and how and where it was discovered. Some have colorful histories. For

Journalists based in Brussels.

his second marriage and Kodak's first.

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